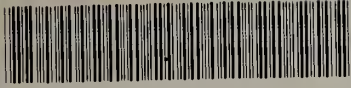
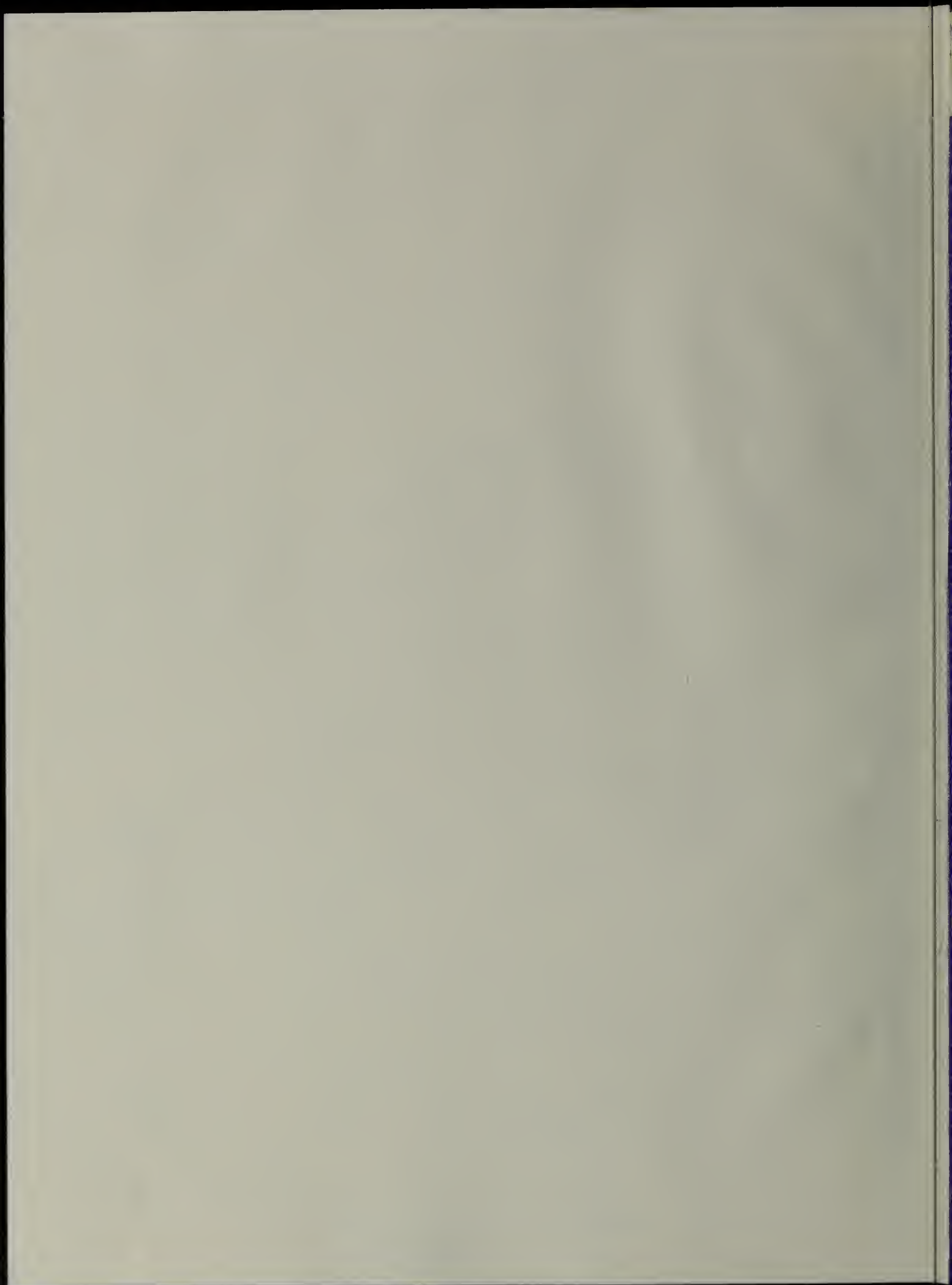


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MASSJOBS COUNCIL

ANNUAL REPORT TO THE GOVERNOR AND THE LEGISLATURE

JULY 1, 1992 TO JUNE 30, 1993





MASSJOBS Council

September 23, 1993

The Honorable William F. Weld, Governor
Commonwealth of Massachusetts
State House, Room 360
Boston, MA 02133

Dear Governor Weld:

We hereby submit to you the report of the MASSJOBS Council for the fiscal year ending June 30, 1993 as required by Chapter 145 (Section 46) of the Acts of 1991. Copies of this report are also being submitted to the Senate President and the Speaker of the House.

Over the past year, the Council has made significant progress in transforming the Commonwealth's workforce development system from a top-down, bureaucratically driven collection of programs to a system where customers - employers and citizens - are now providing more of the demand signal than ever before. This was accomplished in large part through the development of regional workforce Blueprints by the sixteen Regional Employment Boards. These Blueprints are now the basis for focusing workforce development funds at the local level around the training needs of critical and emerging industries in each region of the state.

A second major accomplishment has been the identification of nearly \$700M in job related education and training annual expenditures broken down at the sixteen Regional Employment Board level. This information now enables each private sector led REB to play a much stronger policy and oversight role at the local level. FY 93 represents the first time that this information has been made available to our Regional Employment Boards and it has been a major catalyst for increased local collaboration and cooperation.

The body of this report summarizes the many other accomplishments of the Council over the past year and is built around the two-year plan for reinventing the Massachusetts workforce development system that you endorsed at the December 1992 Council meeting.

We are heartened by our progress to date and humbled by the challenges that lie ahead. As you will see later in this report, two of our major challenges for the coming year are to more directly link workforce development and economic development activities in the Commonwealth, and to more directly link workforce development to education reform. We are pleased to note that with the guidance of Bay Staters like David Osborne, Michael Porter and other visionaries, Massachusetts finds itself in a leadership position and is increasingly being looked to for advice and counsel by both the federal government and other states that are looking to transform their systems.

We appreciate the opportunity you have provided us to lead an effort that is so vital to the economic well being of all of our citizens.

Sincerely,



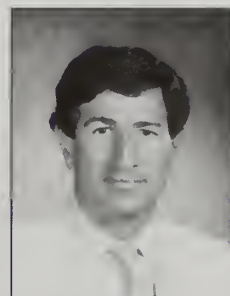
Argeo Paul Cellucci
MASSJOBS Council Chairman



Anthony R. Sapienza
MASSJOBS Council Co-Chair



Argeo Paul Cellucci



Anthony R. Sapienza

THE EVOLUTION OF THE MASSJOBS COUNCIL



**Governor William Weld and
Lieutenant Governor Paul
Cellucci at the
December 1992 Council
meeting**

In 1988, Massachusetts became one of the first states in the nation to establish a state level super-council to oversee its workforce development system. The newly created MASSJOBS Council (MJC) was given responsibility for setting policy and providing oversight for over forty employment, training, and employment-related education programs in the Commonwealth.

The creation of the MJC represented an unprecedented commitment by Massachusetts to coordinate its job training policies and integrate its workforce development services. Building upon the private/public partnership model of the State Job Training Coordinating Council, the thirty-one members of the MASSJOBS Council were drawn from business and industry, state agencies, local service providers, education, organized labor, local government, and the state legislature. This collaborative approach to developing workforce readiness in Massachusetts was adopted to bring a new perspective to how Massachusetts could best manage its workforce development system for the benefit of its citizens.

The newly created MASSJOBS Council initially struggled under the weight of its challenging statutory responsibilities. The state's economic slowdown of the late 1980's shifted the focus of state policymakers away from system

integration and towards program consolidation. Within this fiscal environment, workforce development policy became driven by considerations of program preservation rather than service coordination. The prevailing fiscal austerity of the late 1980s, therefore, served to exacerbate one of the principal obstacles facing the Council: Massachusetts' workforce development system did not truly function as a system at all, but rather as a collection of free standing programs which worked largely in isolation, and often in competition, with each other.

In 1991, newly elected Governor William Weld announced that workforce development would be a key component of his administration's economic revitalization strategy. To ensure that the employment and training needs of Massachusetts' workforce were being addressed in a cohesive manner, Governor Weld appointed Lt. Governor Paul Cellucci to Chair the MASSJOBS Council. Commensurate with this action, new state legislation was enacted designating the MJC as the Governor's principal advisory board for workforce development policy. In addition, to move beyond the programmatic orientation that often characterized the Council's early efforts, private sector representation on the Council was increased and the mission of the MJC was redefined to include business and industry as a principal customer.

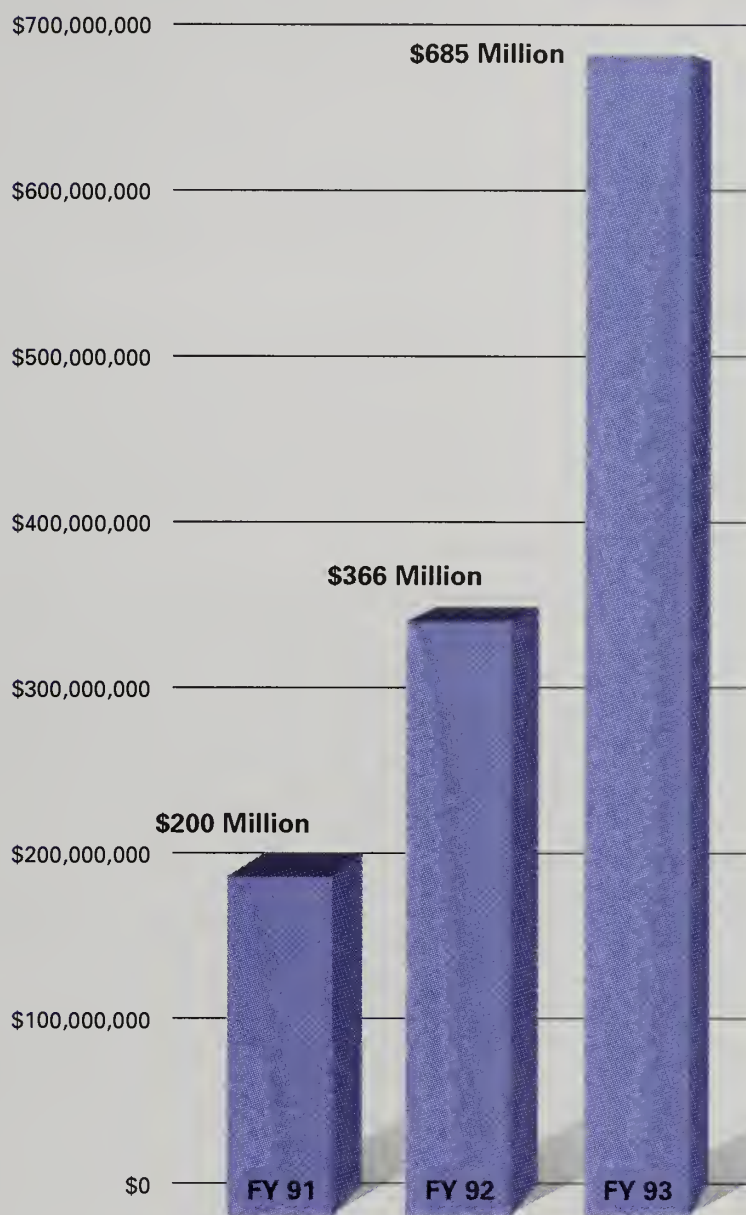
THE MASSJOBS COUNCIL TODAY

Today, the MASSJOBS Council is working aggressively to transform Massachusetts' collection of free-standing workforce development programs into a decentralized, market-based system. The MJC firmly believes that the current system in Massachusetts is large enough to have a significant impact on the competitiveness of the economy and the workforce readiness of its citizens. In the past year the Council has identified nearly \$700 million in public funds that are spent annually in Massachusetts on workforce development activities. The challenge before the Council, therefore, is not creating more government, but rather fundamentally changing the way in which government currently responds to the employment and training needs of its customers.

The mission of the MASSJOBS Council is, therefore, to build a workforce development **system** in the Commonwealth. One hallmark of this system must be **strategic coordination**: coordination of policy development which is guided at the state level by the MASSJOBS Council; and coordination of service delivery which is overseen locally by our partners in the private sector led Regional Employment Boards.

Coordination alone, however, will not transform this collection of individual programs into a fully functioning system. The Commonwealth of Massachusetts must also change the process by which its workforce development **product** is provided to customers. This transformation must begin with the introduction of market-based principles into the development and provision of services. By empowering the businesses and individuals of the Commonwealth with accurate information concerning the full range of workforce development services available, it is our customers who will vote with their feet and ultimately determine the shape of this system in Massachusetts. The MASSJOBS Council is confident that through this interactive process, an improved workforce development product will emerge which will be more directly responsive to the needs of our citizenry.

TOTAL FUNDS IN MASSACHUSETTS WORKFORCE DEVELOPMENT SYSTEM*



* As captured by the MASSJOBS Council's annual Integrated Program Budget Survey.

THE MASSJOBS COUNCIL VISION

The Council believes that specific actions need to be taken to transform the state's existing job training and employment-related education efforts from a collection of free-standing programs into a well-coordinated, market-based workforce development system.

- **THE SYSTEM SHOULD, WHEREVER POSSIBLE EMPHASIZE A DEMAND OR CUSTOMER-DRIVEN PERSPECTIVE, NOT A SUPPLY OR PROGRAM-DRIVEN PERSPECTIVE.**

In a functioning marketplace, demand articulated by customers meets supply and demand created by providers. We need a workforce development system in which supply and demand come into balance. In such a system, customers (individuals and businesses) articulate their demands, brokers provide those customers with guidance (such as information about the quality and cost of different suppliers) and customers are able to make informed choices about the most appropriate supplier of training or education.

- **THE SYSTEM SHOULD BE UNDERSTANDABLE TO ITS CUSTOMERS AND EASY TO USE.**

The system should be readily accessible to any employer or job seeker. Every business or individual who approaches the training system should have information about the full array of services available, and should be able to easily gain entry into the most suitable service.

- **THE SYSTEM SHOULD FOCUS ON OUTCOMES, OR PERFORMANCE.**

Performance should be defined by the value added that is achieved (such as meaningful learning gains attained, or placement in high-wage jobs) rather than by the number of units of service that are delivered. The system should, whenever practicable, allocate resources based on the performance of service providers over time. The MASSJOBS Council and Regional Employment Boards will serve as forums for the exchange of information to help in the continuous improvement of system performance.

- **THE SYSTEM SHOULD BE ADMINISTERED LOCALLY, BUT GUIDED CENTRALLY.**

A strong state-level policy coordinating body is necessary to establish a single, consistent set of objectives to guide the system. Central guidance is particularly important in setting overall goals for the job training system, and in defining and measuring the system's cost inputs and performance outputs. At the same time, because programs are delivered locally, it is at the local level that administrative coordination is most essential. This implies both an identifiable local point of access to job training programs for business and residents, and a local policy-setting body which is reflective of community and area business interests; and can allocate training resources to meet local needs.

Adopted by the MASSJOBS Council,
September 1992

THE SYSTEM SHOULD, WHEREVER POSSIBLE,
EMPHASIZE A DEMAND OR
CUSTOMER-DRIVEN PERSPECTIVE, NOT A
SUPPLY OR PROGRAM-DRIVEN PERSPECTIVE.

ACCOMPLISHMENTS

In the past year the MASSJOBS Council took the following steps to bring a market-based approach to the Massachusetts workforce development system:

Adopted a long-term vision for how Massachusetts workforce development system can operate in a more integrated, customer-driven manner.

Developed a detailed two year workplan to begin to reinvent the workforce development system in support of this vision.

Recognized as the 1992 State of the Year by the National Alliance of Business for leadership in developing a workforce development system that is responsive to its customers.

Developed a strategy that defined the role which the state workforce development system can play in improving the competitiveness of key industries in each region of the Commonwealth.

Established the first ever state budget item for the MassJobs Council which will support workforce development initiatives identified by the Regional Employment Boards.

Conducted employer surveys to obtain their perspectives on how the Massachusetts workforce development system could be more responsive to industry needs.

"Government must radically restructure its own strategies for delivering education and training services in order to build a world-class workforce. . . A wholesale change is needed in the nation's approaches to workforce development leading to the creation of a coherent, customer-driven, results-oriented workforce development system."

*Governors' Principles to
Ensure Workforce Excellence.*

Adopted by the National Governors' Association,
February 1993

THE SYSTEM SHOULD BE UNDERSTANDABLE TO ITS CUSTOMERS AND EASY TO USE.



“... Ideally, individuals seeking training would get high-quality counseling, be provided with a comprehensive menu of programs that meet their needs, and learn how past participants in these programs fared in the job market. Instead, individuals who need training arrive at many entry points in the job training system, many of which are ill equipped to direct them to the best programs. . .”

Professor Michael E. Porter
Harvard Business School 1993

ACCOMPLISHMENTS

In the past year the MASSJOBS Council took the following steps to make the Massachusetts workforce development system more understandable and accessible to its customers.

Formed a Commissioners' Policy Group to determine ways in which state workforce development agencies can be more responsive to customer needs at the local level:

Initiated a Commissioners' Operating Agreement which provides a framework for how individual programs will work in support of the MassJobs Council's vision for a customer-driven system.

Convened representatives from state agencies to identify and eliminate specific barriers which frustrate customers' ability to access the workforce development system.

Advised U.S. Secretary of Labor Reich on the role that the federal government can play in reinforcing Massachusetts' efforts to better serve customers of its workforce development system.

Compiled a resource directory for Regional Employment Board members which outlines the full array of programs and services available to customers of the workforce development system.

THE SYSTEM SHOULD FOCUS ON OUTCOMES, OR PERFORMANCE.

ACCOMPLISHMENTS

In the past year the MASSJOBS Council took the following steps to make the Massachusetts workforce development system more performance driven, defined by the value-added that is achieved, rather than by the number of units of service that are delivered:

Developed an Integrated Program Budget which will enhance the MASSJOBS Council and Regional Employment Boards' ability to measure the value-added of programs and services in the Massachusetts workforce development system.

Established a new MASSJOBS Council discretionary funding pool in which 10 state agencies are jointly developing programs that will provide enhanced services to customers with existing resources.

Reviewed operational plans of various state workforce development programs to ensure that these plans properly reflect the MASSJOBS Council's focus on outcomes and performance.

Initiated a pilot program to test the Placement Accountability System which will measure the employment and earnings experiences of graduates of programs in the Massachusetts workforce development system.

"Public entrepreneurs know that when institutions are funded according to inputs, they have little reason to strive for better performance. But when they are funded according to outcomes, they become obsessive about performance."

David Osborne and Ted Gaebler,
"Reinventing Government", 1992

THE SYSTEM SHOULD BE ADMINISTERED LOCALLY, BUT GUIDED CENTRALLY.

“...We need to fundamentally change the way that workforce development programs in the Commonwealth operate, and it is critical that this change take place at the local and regional level. Each community knows best the issues and problems facing their region and they are in the best position to find the right solutions. Our job at the state level must be to steer, not to row. . .”

Lt. Governor Paul Cellucci

Governor's Second Annual REB Conference 1993

ACCOMPLISHMENTS

In the past year the MASSJOBS Council took the following steps to build the capacity of the sixteen local, private sector led Regional Employment Boards:

Developed measurable criteria to increase the effectiveness of Regional Employment Boards.

Held the first ever retreat for the Regional Employment Board Chairs to enhance their ability to lead their local workforce development efforts.

Made resources available for Regional Employment Boards to develop innovative new programs to meet the training needs of their locally identified industry clusters.

Identified the current role which each state agency indicates that Regional Employment Boards play in setting policy for who is served, the services provided, and how the services are delivered by program at the local level.

Convened the Governor's second annual conference for Regional Employment Board members to share information about the broader role the REBs are being asked to play in Massachusetts' workforce development system.

Engaged the 16 Regional Employment Boards in the development of workforce development policy Blueprints in which REBs identified the training needs of those industries which are most important to their regions economic competitiveness.

1992 NATIONAL ALLIANCE OF BUSINESS STATE OF THE YEAR AWARD



■ Each year the National Alliance of Business, through its Distinguished Performance Awards program, seeks to recognize "businesses, individuals, and organizations whose commitments, innovation, and accomplishments have made job training partnerships effective and successful enterprises." In September of 1992, Lt. Governor Cellucci and the MassJobs Council were honored to receive NAB's State of the Year on behalf of the Commonwealth of Massachusetts and all of the partners within the Massachusetts workforce development system.



■ On hand for the presentation of NAB's State of the Year award were (left to right): William H. Kolberg, President and CEO of the National Alliance of Business, MassJobs Council Executive Director Peter Koch; Tony Sapienza, MassJobs Council Co-Chair; Lt. Governor Paul Cellucci, MassJobs Council Chairman; Joseph Pichler, Chairman of the Kroger Company; and Roberts T Jones, Assistant Secretary U.S. Department of Labor.

MASSJOBS COUNCIL MEMBERSHIP (JUNE 30, 1993)

CHAIR

Argeo Paul Cellucci
Lieutenant Governor
Commonwealth of Massachusetts

CO-CHAIR

Anthony R. Sapienza
Vice President for Manufacturing
KGR, Inc.

MEMBERS

Robert V. Antonucci
Commissioner
Massachusetts Department of
Education

Charles D. Baker
Secretary
Executive Office of Health
& Human Services

Daniel E. Bosley
State Representative

Nancy Brown
President
Employment Resources, Inc.

Heriberto Flores
Executive Director
New England Farm Workers
Council

Adrian L. Ford
Chief Administrator
Three Pyramids, Inc.

Joseph Gallant
Commissioner
Department of Public Welfare

Jerome N. Grossman, M.D.
President & CEO
New England Medical Center, Inc.

Elaine S. Marks
Consultant

James Merloni
Administrator
Laborers' Union Local #609
New England Laborers' Trust Fund

Christine E. Morris
Secretary
Executive Office of Labor

John F. Murphy
Secretary/Treasurer
Teamsters Local 122

Nils L. Nordberg
Commissioner
Department of Employment &
Training

David Osborne
Author

Lois G. Pines
State Senator

Henri S. Rauschenbach
State Senator

Paula Rayman
Director of Research
Center for Research on Women
Wellesley College

Piedad F. Robertson
Secretary
Executive Office of Education

Barbara S. Rosenbaum
Executive Director
Jewish Vocational Services

Dr. Andrew M. Scibelli
President
Springfield Technical
Community College

Andrew A. Sarno
Business Agent
Carpenters' Local #33

Rina K. Spence
President & CEO
Emerson Health Systems, Inc.

William J. Spring
Vice President of District
Community Affairs
Federal Reserve Bank

Rosemary S. Tierney
Mayor, City of New Bedford

David J. Tobin
Superintendent, Director
Assabet Valley Vocational
Technical School

Stephen P. Tocco
Secretary
Executive Office of Economic Affairs

Michael D. Yunits
President
Yunits Engineering Co.

FORMER MEMBERS

(Serving July 1992-June 1993)

Suzanne Bump
State Representative

David P. Forsberg
Secretary EOHS

David W. Laughton
Teamsters' Union

Geoffrey May
Real Estate

Myron Sponder
Independent Businessman

MJC STAFF

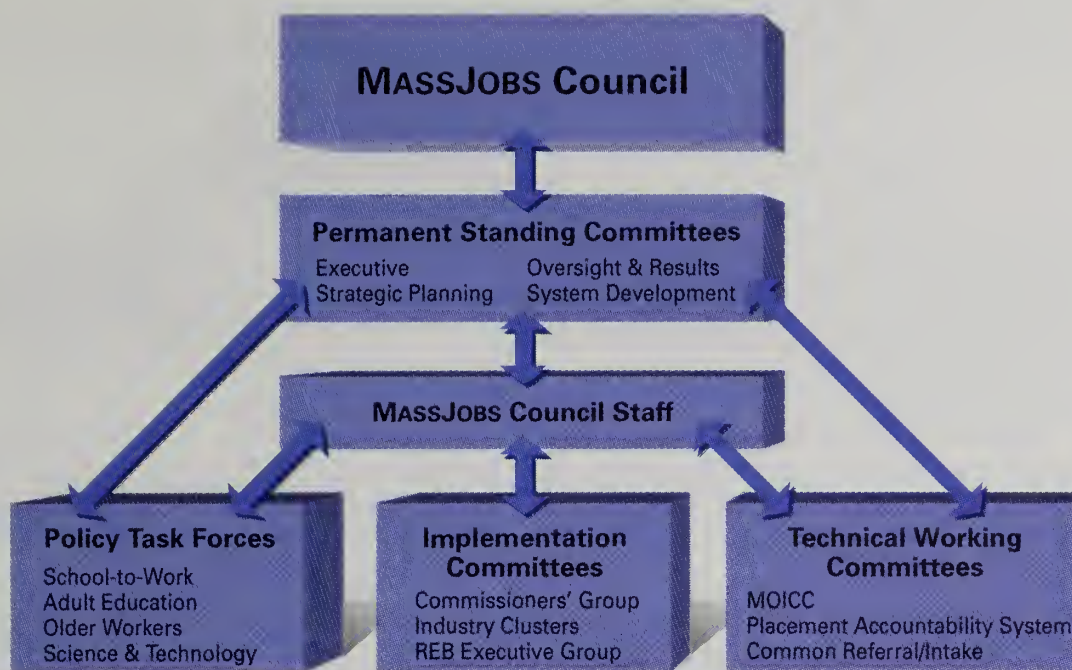
Peter T. Koch
Executive Director

Steven Spinner

Stephen Hines

Gail Mills

Paula Jowanna



THE COMMITTEE STRUCTURE OF THE MJC

The MASSJOBS Council is organized into four permanent standing committees of which each member of the Council is a voting member. These Committees meet on a regular basis to conduct the bulk of the MJC's activities.

THE EXECUTIVE COMMITTEE. The leadership of the Council is provided by the Executive Committee. Chaired by Lt. Governor Cellucci and Tony Sapienza, who is a private sector representative appointed by the Governor, the central mission of this Committee is to ensure that the work of the Council continues to support the MJC's vision and the economic development goals of the Administration.

THE OVERSIGHT AND RESULTS COMMITTEE. Chaired by William Spring, the mission of the Oversight and Results Committee is to develop more accurate information concerning the current performance of Massachusetts workforce development system. In support of this goal, the Committee is piloting the use of unemployment insurance wage record data as an evaluation tool, as well as developing common program outcome measures. This Committee will lead the

Council's School-to-Work initiative and Industry Clusters activities in FY 94.

THE STRATEGIC PLANNING COMMITTEE.

Chaired by Henri Rauschenbach, the work of this Committee centers around strategically planning ways in which the resources in the workforce development system can be used in a more integrated and cohesive manner. This Committee annually leads the Council in the development of its annual Integrated Program Budget, as well as examining ways in which the flexible dollars in the system can be used to support the Council's system-wide priorities.

THE SYSTEM DEVELOPMENT COMMITTEE.

Chaired by Tony Sapienza, this Committee's mission is to make Massachusetts' workforce development system more responsive to needs of its customers at the local level through the oversight of the Regional Employment Boards. In FY 93, this Committee developed a set criteria to measure the effectiveness of REBs, assisted the REBs in developing their policy Blueprints, and sponsored the second annual Governor's Conference for 300 REB members.

MJC PRINCIPAL PARTNERS

PRIVATE INDUSTRY

One of the central missions of the MassJobs Council is to improve the competitive advantage of Massachusetts' businesses by ensuring the existence of a highly skilled workforce.

The MASSJOBS Council is addressing this issue by directly linking more of the resources available within Massachusetts workforce development system to the employment and training needs of industries that are critical to each region of the state.

At the state level, the Council and participating state agencies have done extensive work with Massachusetts industry associations such as the Computer Software Council, the Biotechnology Council, and the Western MA Chapter of the National Tooling and Machining Association to gain a better understanding of the aggregate training needs of specific clusters of industries. The MJC also conducted comprehensive employer surveys in conjunction with the Associated Industries of Massachusetts (AIM) and the National Federation of Independent Businesses (NFIB) to better measure the level of employer-sponsored skills training that is currently taking place across the Commonwealth.

At the local level, each of the sixteen private-sector led Regional Employment Boards have developed a policy Blueprint which identifies the employment and training needs of industries in their local area, as well as the current capacity of the local delivery system to meet these needs. In the coming year, each of these REBs will be developing action projects which will build direct linkages between local public employment and training services in their area and the industries that were identified in their Blueprints.



CITIZENS OF MASSACHUSETTS

As the Massachusetts economy has gone through a fundamental restructuring in recent years, the skills of our workforce have struggled to keep pace with the rapidly changing needs of our employers. The result has often been high levels of worker dislocation and longer periods of unemployment.

The problem with government's response to this situation has been that its paying customers - businesses and individuals - traditionally have not had any control over the employment and training product they are buying. The content of publicly-funded workforce development services has generally been dictated by complex federal regulations rather than customer demand. Service providers have also been allowed to determine the nature of their training offerings without showing a direct relationship to the demand of the prevailing marketplace.

The fundamental tenant underlying the Council's work is that the workforce development system must be customer-driven. This means bringing the supply and demand for em-

ployment and training services into greater balance. It is the belief of the Council that it is the citizens of Massachusetts who will ultimately create this balance by making intelligent buying decisions concerning the purchase of employment and training services. The role of the MassJobs Council is to ensure that information concerning the relative effectiveness of workforce development programs is readily available to any citizen who desires it.

In the past year the MJC has undertaken several initiatives aimed at empowering the citizens of Massachusetts with this information. The emphasis placed on the work of the Regional Employment Boards is designed to decentralize the decision-making process of government and make it more responsive to locally articulated needs. Projects such as the Placement Accountability System are underway which will analyze the long term earnings impact of various state service interventions. In addition, our dialogue with state agencies concerning the co-location of services, common referral forms, and common program definitions continues to be driven by the need to assist individuals in overcoming the confusing and fragmented nature of employment and training system.

FEDERAL GOVERNMENT

During the past year, Massachusetts has been afforded the opportunity to participate in discussions with federal officials who are trying to find new ways to improve the nation's workforce development system. The new Secretary of Labor, Robert Reich, invited members of the Council and staff to meet in his office to discuss the details of the work we are doing in Massachusetts to re-invent this system and to discuss ways the federal government can assist in this process. Two MASSJOBS Council members, David Osborne and Bill Spring, have played a major role in shaping the agenda for this discussion at the federal level.

Massachusetts is positioned to continue play-

ing a leading role in demonstrating new approaches that will enable all citizens to have easier access to job training and re-training. We have also signalled our willingness and intent to be part of the national dialogue concerning how federal initiatives can be implemented most effectively at the state and local level, and defining the role the federal government can and must play in assisting this to happen.

STATE AGENCIES

The MASSJOBS Council's vision for the workforce development system in Massachusetts calls for a coordinated system whose hallmarks are accessibility and accountability to its customers. Today, however, the more than forty programs that collectively comprise the Massachusetts Workforce Development System stand as a complex maze of individual programs that often work in total isolation from each other. The MASSJOBS Council has committed itself to bringing greater coherence to this system.

During the past year The MASSJOBS Council has taken many steps towards overcoming the fragmentation and rigidity that characterizes this system. The formation of a Commissioners' Policy Group, comprised of the chief administrators of each workforce development program, represented a significant commitment by these programs to reexamine the way they provide client services. This group, meeting monthly, recently signed an Operating Agreement which endorses the MJC's vision for the system and lays out a set of operating principles which will guide the operation of each program. In addition, many of the larger workforce development programs have contributed monies to a discretionary funding pool which will be used to provide innovative client services that are unavailable from traditional sources.

THE REGIONAL EMPLOYMENT BOARDS:

THE BUILDING BLOCKS FOR THE MASSACHUSETTS WORKFORCE DEVELOPMENT SYSTEM

WHAT IS A REB?

Regional Employment Boards have a central role to play in the MJC's vision of a decentralized Massachusetts workforce development system.

In 1988 Massachusetts enacted legislation which expanded the purview of the federally created Private Industry Councils to include all job related education, training, and employment services programs within their regions. This legislation also renamed Private Industry Council to be Regional Employment Boards.

By taking this step, Massachusetts became the first state in the nation to create a local super council with broad authority over workforce development programs. As might be expected, state and local policy makers initially struggled to define exactly how REBs should best exercise this new authority. Over the past two years the MASSJOBS Council has made a concerted effort to prioritize the need for REB capacity building.

Steps that were taken in FY '93 include:

- Conducting public hearings which resulted in the Council's adoption of a set of measurable effectiveness criteria for REBs;
- Assisting REBs in developing Policy Blueprints for their local areas;
- Providing REBs with a listing of all funding spent in the workforce development system broken out by REB sub-state area.

This continues to be an evolutionary process that will gradually transform the workforce development system to becoming customer driven. The role the REB plays, in addition to establishing local workforce development policy, is to act as the information broker between employers and citizens in creating a training market place at the local level, and providing the customers with information from which they can make decisions about training that meets their needs.

REB CRITERIA:

MJC EFFECTIVENESS CRITERIA FOR REGIONAL EMPLOYMENT BOARDS

1. An effective REB has developed a vision or mission statement which establishes a policy framework for all workforce development programs in its region. This statement should be consistent with the MASSJOBS Council's vision for the Commonwealth's workforce development system.
2. An effective REB has developed a strategic plan which includes short-term (i.e. 1 year) and longer-term (i.e. 3 year) goals for executing its vision statement.
3. An effective REB communicates with its customers on a regular basis.
4. An effective REB has developed an oversight strategy to measure the performance of service providers in its region to determine if the goals established in the REB's strategic plan are being achieved.
5. An effective REB is aware of the size and scope of all major publicly funded workforce development programs operating in its area and is entrepreneurial in its approach towards accessing additional funds for its region.
6. An effective REB should serve as a broker between employers and job seekers in its region, but must be completely neutral and objective in the structure and process that is used to distribute funds to providers of occupational training programs in its area.
7. An effective REB is highly visible in its region and communicates with key elected officials who represent the region on a regular basis.
8. An effective REB has an active, diverse membership that includes key business, economic and workforce development decision makers in its region.

Massachusetts Regional Employment

Berkshire

Albert A. Ingegneri, III
Vice President
Real Estate Operations
Hillcrest Hospital
Pittsfield

Southern Worcester

M. Katherine Hessel
Vice President of Human Resources
Paul Revere Insurance Company
Worcester

Lower Merrimack Valley

Leonard A. Wilson
President
First Essex Savings Bank
Lawrence

Metro South/West

C. Lynn Wickwire
Vice President
U.S. Boston Capital Corp.
Lincoln

Bristol

Stewart Washburn
Business Lending Consultant
Fall River

Franklin/Hampshire

Michael Derosé
Vice President of Human Resources
Franklin Medical Center
Greenfield

North Central

Charles Bowles
Chief Executive Officer
GFA Credit Union
Gardner

Northern Middlesex

Bonnie Posnak
Director of Personnel
Ideal Tape, Inc.
Lowell

Board Chairs (on July 1, 1993)

Brockton
Virginia Burke
P.R. Manager
New England Telephone
Brockton

New Bedford
John D. Moore
Chairperson
Moore & Isherwood, Inc.
New Bedford

Boston
Jerome N. Grossman, M.D.
Chair and CEO
New England Medical Center,
Inc.
Boston

Hampden
Benjamin Jones
Retired Chairman
Monarch Capital
Springfield

North Shore
Robert Donelan
Sr. Vice President
Eastern Bank
Lynn

Metro North
Frederick Ritzau
Vice President
United Electric Controls
Watertown

South Coastal
Michael Yunits
President
Yunits Engineering Company
Holbrook

Cape & Islands
Henri S. Rauschenbach
Assistant General Manager
Cape Cod Sea Camps
Brewster

REB BLUEPRINTS

In June of 1992, THE MASSJOBS Council asked each REB to design a local Workforce Development Policy Blueprint for their area. These Blueprints were intended to serve as a first draft of a strategic plan for REBs to directly link activities taking place in their local workforce development system to job creation and economic revitalization efforts in their regions.

The major tasks that REBs were asked to undertake included:

- Reaching a consensus on a short list of industries that are most important to the current and future economic competitiveness of each region of the state.
- Beginning the process of identifying the training needs of each of these key industries.
- Identifying all local education and training institutions that have the capacity (or potential) to develop programs to respond to the training needs of these key industries.
- Outlining an oversight strategy to enable the REBs to ensure that local programs will develop a coordinated response to meet the workforce development needs of these key industry clusters: and
- Articulating a vision for how REBs can best organize themselves and their local workforce development system to make a significant contribution to its region's economic growth.

Each of Massachusetts' 16 REBs responded to the challenge of developing a Blueprint. At the Governor's annual conference for REB members, summaries of these documents were presented and implementation strategies were discussed. These Blueprints also served as a key source of information for the regional profiles contained in the Commonwealth's economic strategy Choosing to Compete. It is the Council's intention that in the year ahead resources will be made available to allow the REBs to put these strategic plans into place.

FY '93 MASSJOBS COUNCIL INTEGRATED PROGRAM BUDGET

Distribution of Sub-State Workforce Development Funds by REB Area

REB	FUNDS
Berkshire	\$17,124,999
Boston	\$51,910,890
Bristol	\$32,398,598
Brockton	\$23,700,565
Cape & Islands	\$16,735,764
Franklin/Hampshire	\$22,419,464
Hampden	\$60,035,432
Lower Merrimack Valley	\$32,471,342
Metro North	\$42,033,099
Metro South West	\$57,741,349
New Bedford	\$19,139,516
North Central	\$17,679,990
Northern Middlesex	\$28,802,568
North Shore	\$33,143,191
South Coastal	\$29,364,068
Southern Worcester	\$47,866,542
Statewide/Central Office	\$25,632,051
Other*	\$126,891,227
Total**	\$685,090,655

* .. These funds include \$41,240,823 in Proprietary school funds, \$38,487,466 in Pell Grants and \$47,162,938 in funds that were not captured at the REB level

**Dollar values reflect survey responses provided to the MassJobs Council by the state agencies that administer the individual workforce development programs in the Commonwealth.

THE MASSJOBS COUNCIL'S INDUSTRY CLUSTERS PROJECT... LINKING THE WORKFORCE

In FY 93, the MASSJOBS Council embraced Industry Clusters as a specific organizing principle for linking the Commonwealth's fragmented job training activities more closely to local and state economic revitalization efforts.

The concept of industry clusters was identified and popularized by Harvard Business School Professor Michael Porter in his seminal 1990 book *The Competitive Advantage of Nations*. In Porter's view, a key determinant of competitive advantage in today's economy is the capacity of a region's industries to continuously upgrade. Porter suggests that continuous upgrading and innovation is most likely to occur when a region has a cluster of competitive industries that are linked together through the customer and supplier relationships and have

access to highly specialized pools or skills, technology and infrastructure capable of meeting the needs of these industries.

Over the past year the Council initiated two major activities to lay the groundwork for developing a comprehensive industry cluster training strategy for the Commonwealth:

- Each of the state's 16 Regional Employment Boards developed a Blueprint which outlines the training needs of those industries that are most critical to the economic competitiveness of their regions; and
- Several state agencies that currently provide industry specific training agreed to collectively dedicate resources to fund programs that meet needs identified through the REB Blueprint process.

FY '93 STATE AGENCY CONTRIBUTIONS TO THE MJC INDUSTRY CLUSTERS PROJECT

INDUSTRY	TOTAL*
Health Care	\$681K
Electronic Implementation	\$445K
Machining/Metalworking	\$436K
Biotech	\$210K
Plastics	\$171K
Information Technology	\$129K
Financial Services	\$124K
Software	\$105K
Copper Wire	\$85K
Environmental Technology	\$57K
Furniture Manufacturing	\$54K
Needle Trades	\$22K
Total	\$2,519M

* Includes contributions received from the Department of Employment and Training, The Industrial Services Program, and The Bay State Skills Corporation.

COMMONLY CITED CRITICAL INDUSTRIES IN THE REB BLUEPRINTS

CURRENT INDUSTRIES	EMERGING INDUSTRIES
Traditional Manufacturing <ul style="list-style-type: none"> • Machining/Metalworking • Plastics • Printing & Publishing • Paper Products • Textiles/Apparel 	Information Technology <ul style="list-style-type: none"> • Software • Telecommunications
Health Care <ul style="list-style-type: none"> • Hospitals • Medical Equipment & Supplies 	Health Care <ul style="list-style-type: none"> • Biotechnology • Medical Instrumentation
Financial Services	Environmental Services
Tourism	Advanced Materials
Wholesale Trade	Marine Sciences & Technology

DEVELOPMENT SYSTEM TO THE STATE'S ECONOMIC AGENDA.

In March of 1993, the Weld-Cellucci administration released a comprehensive report titled *Choosing to Compete: A Statewide Strategy for Job Creation and Economic Growth*.

The *Choosing to Compete* report includes twelve categories for state action. With respect to job training, the report strongly endorses the MASSJOBS Council's efforts to build a market driven workforce development system that is capable of directly responding to the specific training needs of current critical industries and emerging critical industries in each region of the state. Other cluster-related categories for action include development of industrial extension services that make knowledge of manufacturing best practices available to small and medium-sized firms; improving technology transfer by linking businesses in innovative new ways with universities and other research institutions; and providing regional one-stop shopping centers for economic development assistance.

Industry Clusters is the common thread that

links the work of the MC and the REBs to these other related economic development issues.

The MASSJOBS Council intends to devote a great deal of energy in the coming year to ensure that true synergy is achieved in the implementation of the workforce development and economic agenda of the Commonwealth. Key measures that will be taken in FY 94 include:

- Significantly expanding the level of resources that are specifically earmarked for the MJC industry clusters training project.
- Working with the Commissioners of the state workforce development agencies to develop action plans related to how front-line workers throughout the system can assist the REBs to implement their Blueprints.
- Providing resources, incentives and technical assistance to the REBs to develop specific action projects to meet the needs of critical industries identified through the Blueprint process.

FUNDING SOURCES AVAILABLE TO IMPLEMENT THE MJC's FY '94 INDUSTRY CLUSTERS TRAINING STRATEGY (AS OF JULY, 1993)

Administering Agency	Program	Funds	Primary Purpose
DET	Tactical Training Initiative	\$1M	Firm-specific customized training
BSSC	"50-50" Program	\$725K	Pilot programs to demonstrate new approaches to meet training needs of emerging industries
ISP	Various Programs	\$850K*	Assist workers and firms to adjust to structural economic changes
Multi-Agency Effort	MJC Discretionary Funding Pool	\$6.9M**	Encourage different state agencies to work together in new ways to meet training needs of critical industries identified by REBs
MJC	Cluster Training Brokers**	\$200K***	To assist small to mid-size firms in the same industry cluster to articulate their needs to policy makers in the Massachusetts workforce development system
MJC	MJC Workforce Development Initiative**	\$700K***	Build capacity of REBs to serve as brokers who match the supply of services available in their areas with the demands articulated by customers
Totals		\$10.38M	

*Does not include industry cluster training programs funded by local Workers Assistance Centers

**Pledged as of May 7, 1993

***Proposed

THE MASSJOBS COUNCIL'S SCHOOL-TO-WORK TASK FORCE...

THE PROBLEM

While other nations have systems for aiding young adults to make the transition from school to work, the United States leaves non-college bound youth to their own devices. Japan takes secondary school graduates and puts them through extensive company-based training programs; European nations tend to follow a more formal apprenticeship model where school and work are combined. But in the U.S., typical high school graduates in the "forgotten half", the 50 percent of high school students who will not attend college, often find themselves in low wage, dead end jobs.

The low levels of investment and attention that the United States pays to non-college bound youth gives German, Japanese and other nations' youth, and the firms that hire them, a five to ten year head start on competitiveness. Young people in those countries gain mastery of skills, experience meeting work requirements, pride and self-confidence through extensive apprenticeships or on-the-job training programs. In that same period, young American workers are moving from low-skill to low-skill jobs, with periods of unemployment in between.

THE OPPORTUNITY

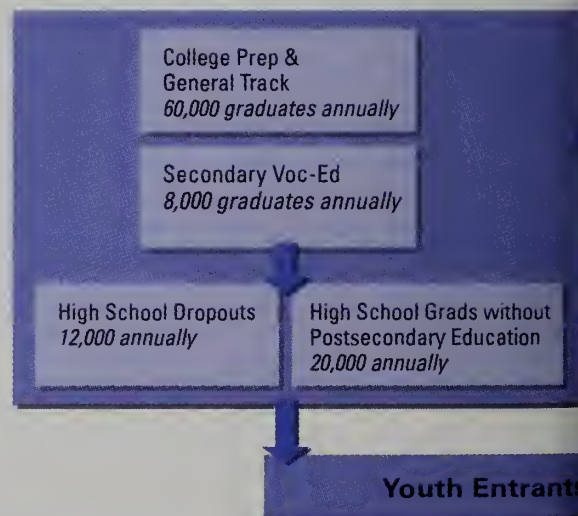
At its May 7, 1993 meeting the MASSJOBS Council agreed that one of its top priorities for FY 94 should be to develop recommendations regarding how the Commonwealth can best organize its education, training and employment systems to provide all young people structured access to both quality education and career opportunities. The Council has asked Secretary of Education Piedad Robertson and MJC Oversight Committee Chair Bill Spring to head a new Task Force to examine this issue. The Council's interest is timely since the federal government has signalled its intention to make funds available during FY 94 to those states that have developed the most innovative

and comprehensive approaches to school-to-work policy.

School-to-Work policy provides an opportunity for policy makers in the Massachusetts workforce development system to tie together aspects of the education reform bill that Governor Weld signed into law in June of 1993 and aspects of the state economic strategy laid out in the Administration's Choosing to Compete report. More specifically, the state's 16 Regional Employment Boards are well-positioned to build strong connections between the supply of education and training services that are available for non-college bound youth in their communities and local employers demands for workers with the skill necessary to be productive in a knowledge-based economy. With appropriate guidance and assistance from the MJC's task force, REBs should be able to forge new pathways that will link individual students and schools with individual firms and industry clusters in each region of the Commonwealth.

CURRENT PERFORMANCE OF SCHOOL-TO-WORK IN MASSACHUSETTS

Secondary Education



... LINKING WORKFORCE DEVELOPMENT TO THE STATE'S EDUCATION REFORM AGENDA.

GUIDING PRINCIPLES

1. The Massachusetts school-to-career system should be accessible to all
2. Each community should develop its own plan for how a school-to-career system should operate in its region.
3. The Massachusetts school-to-career system should build upon current successful programs
4. The system should directly link education and training programs to worksites
5. Curriculum should integrate academic learning in the classroom and vocational/technical learning at worksites.
6. Programs should lead to receipt of a broadly recognized certificate of skills mastery.
7. Programs should closely track progress of both participants and graduates

SCHEDULE OF ACTIVITIES

- I. **CONVENE FIRST MEETING** (Early July)
 - Discuss draft set of Guiding Principles
- II. **CONDUCT RESEARCH** (July-August)
 - Convene first meeting of staff working group
 - Establish schedule for completing research assignments of the Task Force
- III. **CONVENE REGIONAL ROUNDTABLE DISCUSSIONS** (Sept-Oct)
 - Meet in urban, rural, and suburban sites
 - Work closely with local Regional Employment Boards
 - Summarize key findings
- IV. **HOLD SECOND TASK FORCE MEETING** (Mid-Sept)
 - Discuss key findings from summer research and regional roundtable sessions
 - Develop outline for a comprehensive plan for a School-to-Career system in Mass.
 - Establish schedule and responsibilities for completing this plan
- V. **PRESENT PRELIMINARY FINDINGS** (Late Sept)
 - Discuss at Sept 23 MASSJOBS Council Meeting
- VI. **HOLD THIRD TASK FORCE MEETING** (Late Oct-early Nov)
 - Discuss final draft of Task Force recommendations
- VII. **COMPLETE AND PRESENT PLAN TO APPROPRIATE PARTIES** (Nov-Dec)
 - Submit final recommendations to the MASSJOBS Council
 - Submit final report to Governor and Legislature
 - Circulate final report with appropriate federal officials

Postsecondary Education

Four-Year Colleges
250,000 enrolled;
40,000 graduates annually

Community Colleges
75,000 enrolled;
1,200 degrees

Proprietary Schools
2,500 enrolled

Registered
Apprenticeship
2,000 enrolled

Postsecondary dropouts
150,000 annually

Postsecondary Graduates
45,000 annually

the Workforce

Source: Jobs for the Future

"The workforce of the '90s and beyond will look nothing like that of our parents. The average worker entering the labor market today will have not one or two, but five or six different jobs during her working years. The prospect of all that retraining can be unsettling. I do see a future where the time between jobs will be a time spent learning new skills, rather than a long and harsh season of uncertainty. . . That is why Lieutenant Governor Cellucci and the MASSJOBS Council are reinventing our job-training programs to reflect the needs of the employers and workers caught in the midst of the economy's restructuring."

Governor William F. Weld
State of the State Address
January 1993



ACKNOWLEDGEMENTS

This report was prepared by the MASSJOBS Council under the leadership of Stephen Hines, Associate Director. Any listing of acknowledgements could not do justice to the many REB volunteers and staff, as well as the state agencies, who have given their time and talents to work with the Council and staff to bring about a more responsive and effective workforce development system for the Commonwealth. To them we express our greatest appreciation.

Special thanks: Sue Paxman, editorial supervision
Bruce Sanders and Ellen Tikkanen, design



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MASSJOBS COUNCIL

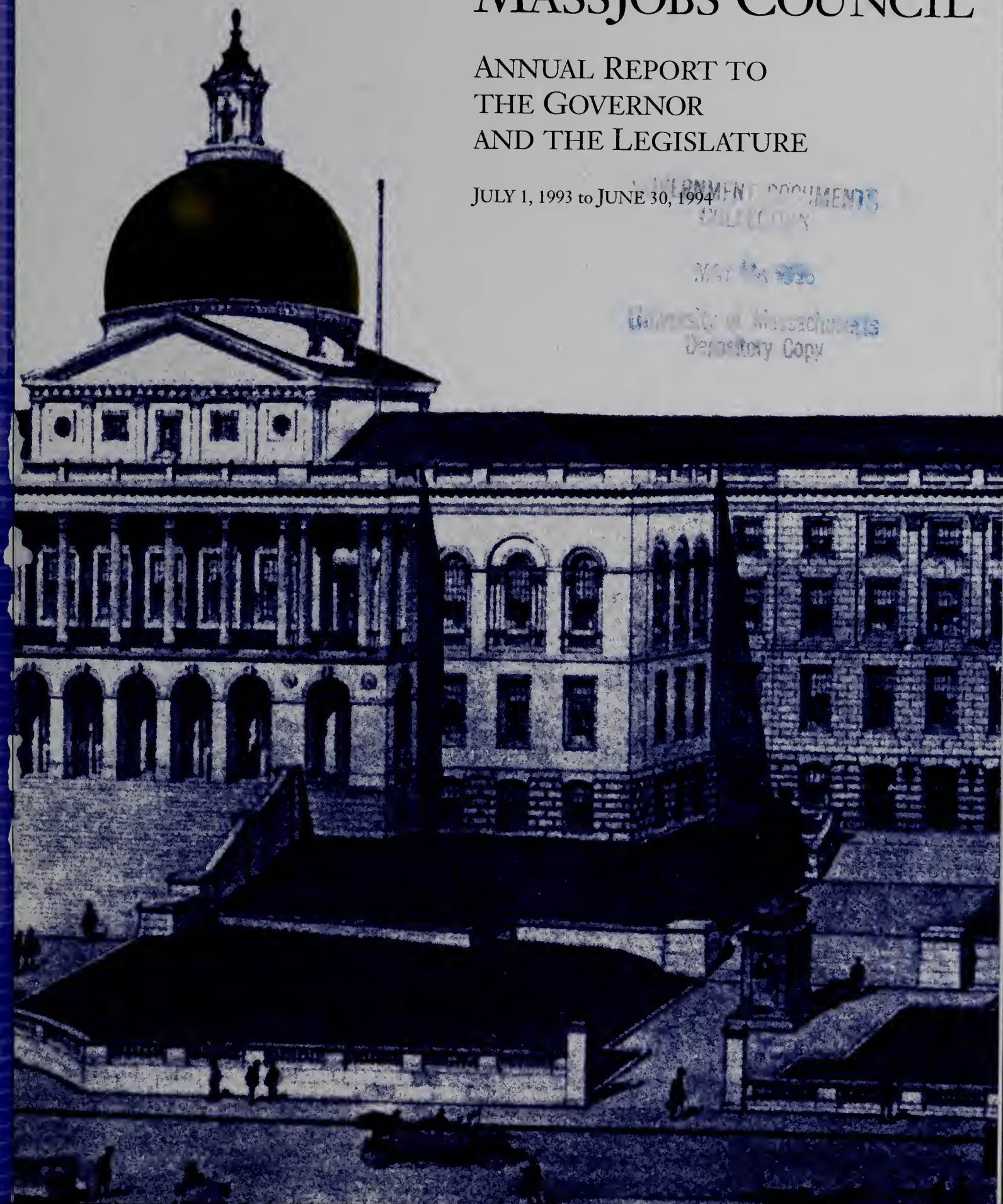
ANNUAL REPORT TO
THE GOVERNOR
AND THE LEGISLATURE

JULY 1, 1993 to JUNE 30, 1994

GOVERNMENT DOCUMENTS
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The seal of the Commonwealth of Massachusetts is prominently displayed in the upper right corner. It features a circular design with a Native American figure holding a bow and arrow, surrounded by the text "SIGILLUM REIPUBLICAE MASSACHUSETTENSIS".

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MassJobs Council

September 22, 1994

The Honorable William F. Weld, Governor
Commonwealth of Massachusetts
State House, Room 360
Boston, Massachusetts 02133

Dear Governor Weld,

We are pleased to present to you the fiscal year 1994 Annual Report of the MassJobs Council as required by Chapter 145 (Section 46) of the Acts of 1991. A copy of this report is also being presented to the President of the Senate and the Speaker of the House of Representatives.

During the past year the Council has focused on serving as your principle policy board on workforce development in four primary areas: linking workforce development to economic development, mobilizing the private sector to act as a partner, integrating the state delivery system and, serving as an impartial policy broker. In fulfilling our role, the Council has conducted its work in three primary policy areas: industry clusters, school-to-work, and Regional Employment Board (REB) capacity building. We are pleased to report significant progress was made in all three areas and the highlights of these accomplishments are presented in this report.

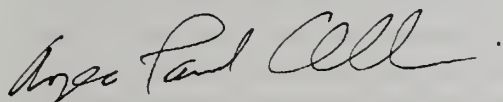
Two of the greatest challenges the Council continues to face are increasing private sector involvement as partners at all levels and ensuring that the Regional Employment Boards have the capacity to provide policy and oversight to the workforce development system at the local and regional levels. The federal school-to-work initiative undertaken by the Council this past year, which resulted in Massachusetts being awarded a \$27.5M grant, has served as an excellent catalyst for increased private sector involvement as well as providing the REBs an issue around which to convene their local employers. During the year we enlisted the support of the Governor's Council on Economic Growth and Technology, under the leadership of Harvard Professor Michael Porter, to obtain support at the highest business levels in the Commonwealth. We have further focused on building the capacity of the Regional Employment Boards by challenging them to engage all of the key stakeholders in their regions as they develop policies which will guide the delivery of a much wider array of services and customers than has traditionally been the case.

In the last three years the majority of our efforts have been devoted to defining the size and scope of workforce development activities in the Commonwealth. We believe that we are now poised to make some recommendations for fundamental change to the way we deliver services. We must have a system that serves all citizens and employers, is responsive to customer needs, and is rewarded for continuous improvement. The accomplishments outlined in this report will serve as the basis for our recommendations to you in the coming year.

We have received tremendous support from the agencies at both the state and local levels, the Regional Employment Boards and their Chairs, the federal government, the education community at all levels, and the many community based organizations. We are particularly appreciative of the support we have received in the state legislature.

We welcome the opportunity you have given us to lead the Council again this year and look forward to the challenges that lie ahead.

Sincerely,



Argeo Paul Cellucci
Lieutenant Governor
MassJobs Council Chair



Anthony R. Sapienza
MassJobs Council Co-Chair



Argeo Paul Cellucci



Anthony R. Sapienza

THE HISTORY AND EVOLUTION OF THE MASSJOBS COUNCIL

THE MASSJOBS COUNCIL VISION

The Council believes that specific actions need to be taken to transform the state's existing job training and employment-related education efforts from a collection of free-standing programs into a well-coordinated, market-based workforce development system.

- The system should wherever possible emphasize a demand or customer-driven perspective, not a supply or program-driven perspective.
- The system should be understandable to its customers and easy to use.
- The system should focus on outcomes, or performance.
- The system should be administered locally, but guided centrally.

The roots of Massachusetts' current efforts to bring greater coherence and accountability to its workforce development services date to the mid-1980s. Between 1985 and 1987 three separate studies produced by administration officials, state legislators, and local employment and training practitioners made a series of recommendations to streamline the administration of various job training programs in the Commonwealth. These studies revealed that the responsibility for over 35 different programs and several hundred million dollars of state and federal resources was spread throughout state government. These studies also suggested that, in the absence of a strong coordinating body, little effort was being made to ensure that these individual programs were pursuing compatible policy goals or delivering services in an integrated fashion.

As a result of these findings, Massachusetts in 1988 became the first state in the nation to establish a state level council to oversee its entire workforce development system. The MassJobs Council (MJC) was created as a public-private partnership with the mandate to serve as the chief architect for all job-related education, training and employment programs in the Commonwealth.

In 1991, newly elected Governor William Weld announced that workforce development would be a key component of his administration's economic revitalization strategy and he appointed Lt. Governor Paul Cellucci to Chair the MassJobs Council. Commensurate with this action, new state legislation was enacted designating the MJC as the Governor's principle advisory board for workforce development policy. In addition, private sector representation on the Council was further increased and the mission of the MJC was redefined to include business and industry as a principle customer and partner.

THE MASSJOBS COUNCIL TODAY

The MassJobs Council believes that the quality of Massachusetts' workforce is one of the Commonwealth's greatest assets. Accordingly, we believe that the workforce development services available to our customers - both individuals and employers - must be of world-class caliber and must be designed and delivered in a manner that directly responds to the needs of these customers.

In 1992 the Council took a significant step toward bringing greater coherence to Massachusetts' workforce development system by adopting a vision statement that now guides the provision of nearly \$1 billion in services annually. The Council also presented a detailed two year workplan to Governor Weld containing the specific steps that the Council will take to achieve its long term vision of a creating a high quality, decentralized, market-driven workforce development system in the Commonwealth. In December of 1993 the Council took perhaps its largest policy step toward achieving its workplan by being declared a Human Resource Investment Council by

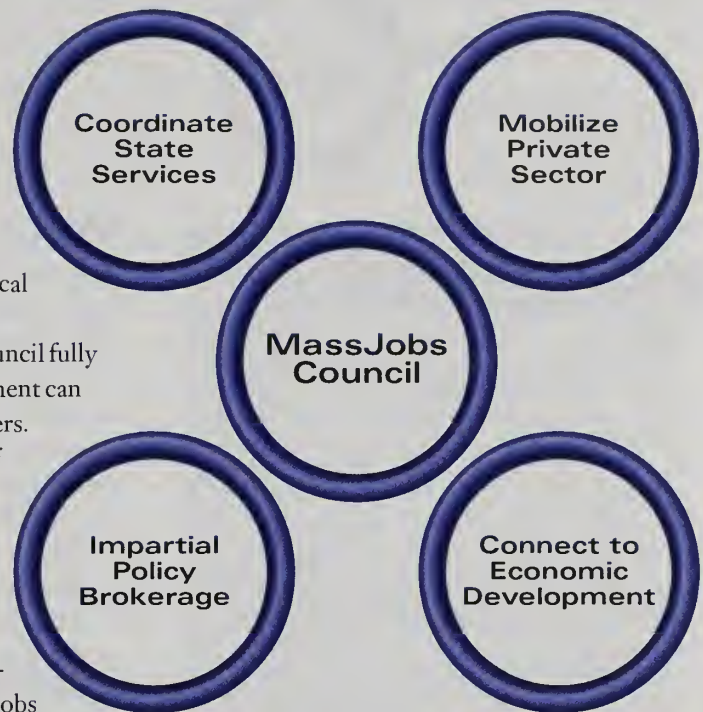
THE MASSJOBS COUNCIL'S FOUR ARENAS OF ACTIVITY

Governor Weld. This action further organizes the provision of workforce development services in Massachusetts by ensuring that programs do not operate in isolation from each other and by introducing greater accountability measures into the state and local level operation of all workforce development programs.

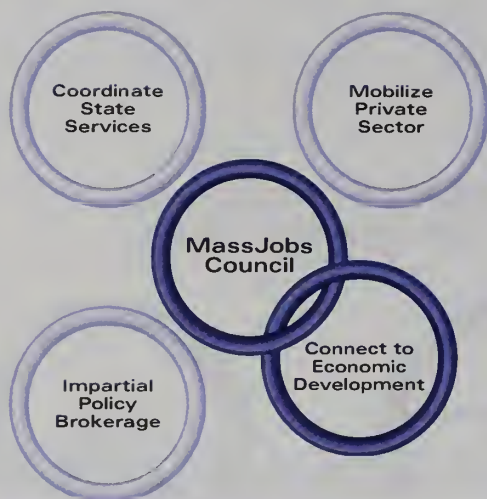
The work still before the Council remains challenging. The Council fully recognizes, and its existence is premised on the belief, that government can no longer afford to ignore the demand signals of its customers. Government has far too long functioned within a closed loop of decision-making in which each level of government petitions the next for permission to act, respond, and provide services to customers. The MassJobs Council is committed to breaking this cycle by re-introducing the customer into all stages of policy development and by doing so, allowing customers to ultimately determine the shape of the services that are provided in the employment and training marketplace. Under the leadership of the MassJobs Council, the Commonwealth's workforce development system is taking steps to function as a true partnership comprised of equal partners, where the primary demand signals for government services are articulated by businesses and individuals and government, in turn, responds quickly and appropriately.

Because this work represents a paradigm shift in the way government traditionally operates, much of the Council's work in the past twelve months has centered around building public awareness and increasing private sector participation in the policy setting dialogue. The Commonwealth's sixteen, private sector-led Regional Employment Board's (REBs) continue to be the primary local forums for these discussions. By serving as local conveners of key industry, constituency, and service provider groups, the REBs are beginning the process of developing an equilibrium between the supply and demand in their sub-state areas for employment and training services.

The workforce development system in Massachusetts represents a \$1 billion annual investment in the future skills and economic well-being of our workforce. The MassJobs Council is working aggressively to ensure that this investment is maximized by making government services more accountable to its customers. Like all major service institutions, employment, training and education institutions must earn the public trust in order to be viewed as an indispensable local resource. The MassJobs Council believes that each of Massachusetts' employment, training, and educational institutions must be held to this high standard and we are committed to taking steps to ensure that this goal is realized.



The MassJobs Council fulfills its mandate as the Governor's principle advisory board on workforce development through four primary arenas of activity: linking workforce development to economic development, mobilizing the private sector, coordinating the state delivery system, and serving as an impartial policy broker.



LINKING WORKFORCE DEVELOPMENT TO ECONOMIC DEVELOPMENT

ACCOMPLISHMENTS

- MJC received first ever state funds appropriated for workforce development to be conducted under the auspices of the Council.
- MJC provided flexible funds for REBs to further develop their capacity to act as local conveners and policy forums.
- Funded eleven competitive REB Action Projects to link workforce development and economic development activities and strategies locally.
- In conjunction with the REBs, reviewed the ongoing applicability of the REB Effectiveness Criteria.
- Strengthened link with state-level economic development activities through joint efforts with the Massachusetts Office of Business Development, Executive Office of Economic Affairs, and the Governor's Council on Economic Growth and Technology.

Workforce development and economic development are truly two sides of the same coin. Unfortunately, state-level linkages have traditionally not been forged between economic development initiatives aimed at assisting companies to start-up, expand, or relocate, and workforce development strategies aimed at ensuring that a skilled and readied pool of workers is available to these businesses. The MassJobs Council is committed to reversing this trend by cementing this relationship both at the state level through increased interaction with the Commonwealth's economic development entities, and at the local level by increasing the capacity of the Regional Employment Boards to re-direct employment and training resources to meet the locally identified needs of employers.

The key first steps towards developing stronger linkages were taken early in this year. *Choosing to Compete*, launched as the Commonwealth's economic development strategy in 1993, established a long-term economic vision for Massachusetts that recognizes that the skill level of the Commonwealth's workforce is one of the state's primary competitive advantages in the current world economy. This strategy further emphasizes the value of regional approaches to economic development and recognizes that a thriving state economy is one that offers jobs and economic opportunity in all regions of the state across diverse business and industry sectors. The Council, through the REBs, has also been instrumental in encouraging the development of new collaborations within key industry clusters such as environmental, plastics, health care, and biotechnology.

During FY'94 the MassJobs Council forged a significantly stronger linkage with the Executive Office of Economic Affairs and the Massachusetts Office of Business Development (MOBD). The ongoing work of the Council and the funds appropriated through the MJC's state line-item enabled the MJC and the Regional Employment Boards to function as partners in providing guidance and assistance to companies that are addressing their workforce development needs. In some cases, such as with Martin Marietta in Pittsfield, the Council was able to establish a pool of funds drawn from multiple sources to assist the company upgrade the skills of the incumbent workforce that they gained in an acquisition. This action contributed to Martin Marietta's decision to remain in Massachusetts and continue to be a key employer in that region of the state. This effort was initiated and coordinated by the Berkshire Regional Employment Board and the Pittsfield MOBD office.

The importance of developing these linkages can not be overstated. Even in an economy that is going through significant restructuring, we continue to hear about labor shortages from employers, not in terms of the number of individuals seeking work, but rather in the availability of skilled labor to meet

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"The wealth of an economy is a function of how productive that economy is in creating valuable output efficiently. Productivity is going to determine our competitiveness in Massachusetts, nothing else."

*Michael Porter,
REB Conference, May 6, 1994*

current and anticipated workforce needs. This issue will become exacerbated as the economy continues its recovery. As a Council, our short-term goal must be to replace the short-term measurements currently used in evaluating traditional workforce development programs with genuine measures that focus on long-term skills attainment and economic self-sufficiency for our citizens and employers.

Perhaps even more important than this work, however, is developing a recognition that the ability of the workforce to acquire new skills and adapt to technological change is not only one of the key determinants of the overall business climate of the Commonwealth, but also of the general well-being and satisfaction of its

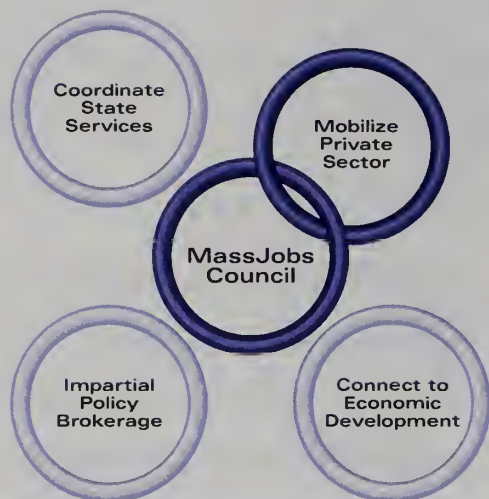


**Gloria Cordes Larson, Secretary,
Executive Office of Economic Affairs**

"By developing workforce training programs that actually match the needs of employers, the MassJobs Council is helping to provide workers and businesses with the skills they'll need to compete in a 21st century economy."

tizens. For this reason, facilitating life-long learning must be the key to the Commonwealth's workforce development services. The rapid increase in global competition, corporate restructuring, defense conversion, the speed of technological change, and other structural economic changes will continue to present challenges for policy makers as we try to effectively steer workforce development resources toward meeting the changing needs of the workforce. We are committed to accomplishing this task and fundamentally changing the way our workforce development product is delivered to customers through continuous dialogue and partnership with Massachusetts' economic development entities, private industry, and individuals.

MASSACHUSETTS
THE VENTURE CAPITAL™



MOBILIZING THE PRIVATE SECTOR

ACCOMPLISHMENTS

- Strengthened link with the private sector through joint efforts with the Governor's Council on Economic Growth and Technology, and the Challenge to Leadership group.
- In conjunction with the Bay State Skills Corporation launched REBNet, an electronic network linking REBs and their partners in the workforce development system.
- Engaged private sector as full partner in the design and development of Massachusetts' school-to-work system. Seven REB Roundtables served to mobilize state-wide private sector support for this effort.

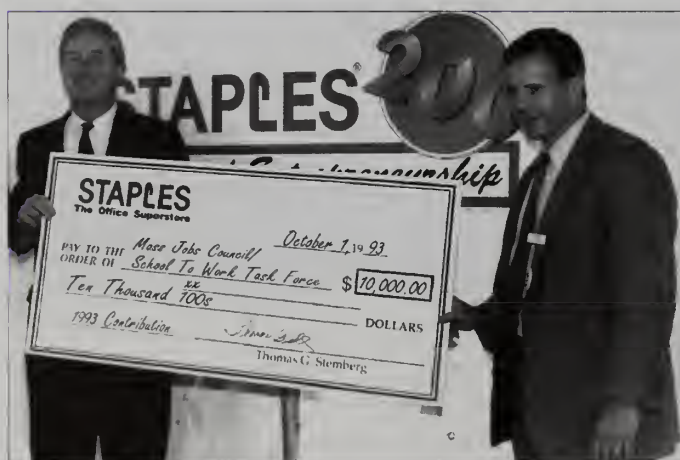
One of the greatest challenges for the MJC and the Commonwealth's sixteen, private-sector led Regional Employment Boards continues to be organizing the private sector to join in partnership with the public sector to meet the needs of employers and citizens. Traditionally, the workforce development system has largely ignored the private sector as a primary customer of training and education services.

Both individuals and employers have made it clear that the current system is not meeting their needs, and this has served to generate momentum for changing the top-down design of the current system into a customer-driven, bottom-up model. An organized private sector is better able to articulate the education and skill levels that industry will need of its workers both today and in the future so that training programs can be designed appropriately. It is also known that the investment private sector makes to training its workers is estimated to be ten times greater than the resources that the state and federal governments make available for training. For this reason, it is obvious that the engine that drives workforce training in the Commonwealth is not public sector resources, but private dollars. An organized private sector will get more value out of its training investment by leveraging public training dollars.

Over the past year, the Council has initiated efforts to induce greater involvement by the private sector in formulating public policy. The Council, through Lieutenant Governor Cellucci and other members of the Executive Committee, have begun to develop a strong working relationship with the Governor's Council on Economic Growth and Technology. This group of

high level business, education, and government leaders is looking for ways to engage the private sector to work with the MJC and the REBs in redesigning the workforce development system of the Commonwealth. This work is organized around the employment and training needs of the key critical and emerging industries identified in *Choosing to Compete*, the Commonwealth's economic development strategy.

One of the chief reasons for organizing the private sector is to link the world of work and school. This linkage is becoming more important every day, as the gap between the skills needed for today's workplace and the skills high school students bring to the workplace grows larger. For this reason the MassJobs Council submitted an application to the federal government for a major school-to-work grant. This \$27.5M initiative will address the changing needs of the business community for a workforce that is prepared to work with new technologies and respond to the increased competition from the expanding global



Staples Inc. CEO and Chairman Thomas G. Stemberg (right) presents Massachusetts Governor William F. Weld (left) with a \$10,000 contribution to the MassJobs Councils' School-to-Work effort, commemorating Staples growth to 200 stores nationwide.

Government

REPUBLICANS

IS THE GOP OUT FRONT ON SOCIAL REFORM?

A new breed of governors tries to show that less can be better

In Washington, Republicans are finding a hundred ways to say "no" to activist government. But in Massachusetts, it's a different story. GOP Governor William F. Weld is touting social reforms that stress deregulation, privatization, and cost controls. And his tack, which promotes less-but-better government, plays well with voters. "A self-professed libertarian is the most popular politician in the most Democratic state in the country," moans James S. Braude, executive director of the Tax Equity Alliance

states are the only places where ideas are being put to work."

In South Carolina, Governor Carroll A. Campbell Jr. has relaxed curriculum and budget rules for schools that meet performance standards. In Ohio, Governor George V. Voinovich wants to give real estate tax breaks to companies that clean up contaminated sites in inner cities and open businesses there. And Michigan Governor John M. Engler is granting some freedom over teacher hiring and curriculum to community groups

come up with centrist alternatives to traditional liberalism. Among the DLC's founders was Arkansas Governor Bill Clinton. GOP governors are now looking for the same middle ground, rejecting the Reagan era's antigovernment bias.

BLURRY LINES. Both political parties are trying to come up with new policies that don't lend themselves to ideological labels, says Will Marshall, president of the DLC's Progressive Policy Institute. "The lines are getting blurred," he adds. "Statehouse reformers are moving against the old bureaucratic structures."

Among the innovations:

Wisconsin's Tommy G. Thompson has overhauled welfare to reduce chronic cases. To spur parents to keep kids in school, he has cut benefits of families with truants by up to 48%. And he has cracked down on parents who aren't keeping up with child support. Since the reforms began in 1987, the welfare caseload has dropped by 18%. In January, Thompson will embark on even more

sion would dent school coffers, forcing the state to look for other revenues.

South Carolina's Campbell and Blue Cross/Blue Shield bypasses bureaucrats with a program he claims has helped reduce the state's high infant-mortality rate by 12% since 1988. Under the plan, Campbell jawboned businesses into offering pregnant women and mothers of young children coupon books with \$1,000 worth of discounts for diapers, vitamins, and other goods and services. The hook: The women must get the coupons validated by a doctor. This has fostered more prenatal care and infant checkups.

Weld is turning Massachusetts' fragmented job-training programs into a one-stop-shopping system. Peter T. Koch, executive director of MASSJOBS Council, an advisory board, says the system is "customer-driven." It works with companies such as Martin Marietta Corp. to retrain manufacturing workers. And it's working with the biotech sector to train 120 secondary and community-college students as lab technicians. Before, the state rarely consulted with business.

Armed with studies that show preschool education saves welfare costs down the road, Ohio's Voinovich has boosted contributions to the federal Head Start program fivefold since 1990-91, to \$97 million now. Ohio is first in the nation in Head Start spending. Voinovich also gave grants to 13 counties for experiments to make their family-service programs more businesslike.

PLAIN CRUEL? These governors are winning favor because "they have tried to provide an image that is not status quo," says GOP pollster William D. McInturff. Still, critics charge that Thompson's welfare programs are cruel. Voinovich and Engler have been lambasted for dropping thousands of unemployed men from the dole. Weld's conversion of Medicaid into a managed-care program has prompted complaints that the poor are losing health care. And most programs haven't been in place long enough to prove they will work in the long term.

There's also skepticism that state innovations can translate into a powerful national message. Political analyst Kevin P. Phillips says Republicans will capture the Presidency only with solid plans for the economy, taxes, and abortion.

Republican governors argue that with

HOW REPUBLICAN PRAGMATISTS TACKLE SOCIAL PROBLEMS

MASSACHUSETTS

William Weld
Job training: Began a "consumer-driven" system of apprenticeship and school programs keyed to employers' needs

MICHIGAN

John Engler
Education: Will use sales tax, not property taxes, to finance schools and equalize spending in poor and wealthy districts

SOUTH CAROLINA MOTHERS GET SHOPPING DISCOUNTS IF THEY VISIT THE DOCTOR



OHIO

George Voinovich
Children: Boosted Head Start and initiated one-stop shopping for child care and other family-service programs

SOUTH CAROLINA

Carroll Campbell
Infant care: Persuaded businesses to offer discounts to pregnant women who get medical checkups

WISCONSIN

Tommy Thompson
Welfare: Makes welfare mothers work and ends benefits after two years; has cut benefits to families with truant kids

for Massachusetts and a Weld critic. Weld's penchant for "entrepreneurial government" puts him in a small club of

that start "charter schools" to compete with existing public schools.

Some critics see the innovations as simply budget cuts in disguise. But to David Osborne, guru of the "reinventing government" movement, these pragmatic Republicans have latched on to a winning strategy. "They believe in government and believe in using it," says Osborne, who has advised state leaders of both parties. "It's an emerging tendency with the Republican Party that is clearly ascendant with the voters."

History may be repeating itself. A decade ago, moderate Democrats formed the Democratic Leadership Council to

radical reform: In a two-county experiment, welfare recipients will have to work for benefits, which will end after two years. Medicaid and child care will continue an extra year. To encourage dual-parent families, pay benefits father agrees

In mid-May a referendum on property taxes as the state's. Instead, the state will have a 6%—a broad equalize dispoor districts.

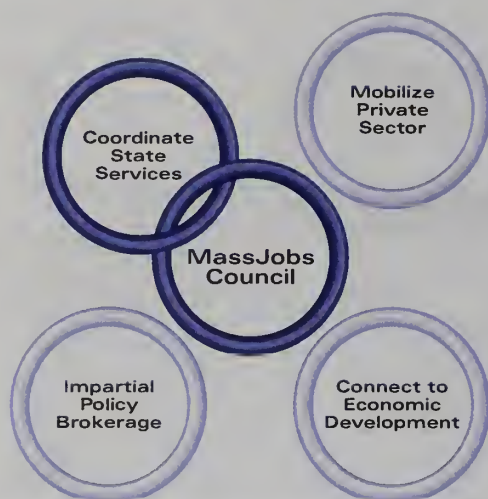
MASSACHUSETTS

William Weld
Job training: Began a "consumer-driven" system of apprenticeship and school programs keyed to employers' needs

Weld is turning Massachusetts' fragmented job-training programs into a one-stop-shopping system. Peter T. Koch, Executive Director of MassJobs Council, an advisory board, says the system is "customer-driven." It works with companies such as Martin Marietta Corp. to retrain manufacturing workers. And it's working with the biotech sector to train 120 secondary and community-college students as lab technicians. Before, the state rarely consulted with business.

economy. The school-to-work initiative also serves as catalyst for upgrading our educational system to teach our young people the critical thinking and academic skills required in the work place. This will allow them to be better prepared to learn specific skills on-the-job and/or pursue further education and training. This path is one which requires a closer link between business and education so that the needs and demands of the work place can be articulated and taught in the classroom as well as on the job.

The MJC's and the REBs' efforts to engage the private sector will ensure that connecting activities are developed between students, schools and businesses in each region of the state. These efforts also serve to integrate the input of the private sector into the school-to-work system in the design stage rather than after the fact, thus becoming far more customer-driven.



ACCOMPLISHMENTS

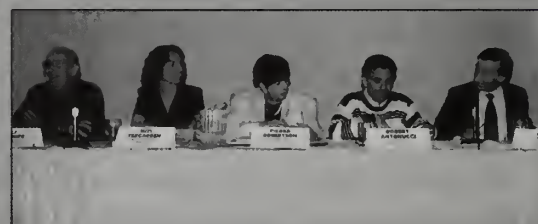
- Governor Weld signed Executive Order making the MassJobs Council a Human Resource Investment Council (HRIC)
- Feasibility study of the Placement Accountability System is completed
- MJC sponsored the Governor's 3rd Annual Conference for Regional Employment Boards with over 300 in attendance
- The MJC prioritized the spending of over \$10 million in existing discretionary dollars through the REBs to meet locally identified needs
- Developed and distributed the Workforce Development Program Directory for REBs
- Conducted and distributed the Council's Integrated Budget survey which included first ever collection of REB level outcome measures for programs
- Expanded the Commissioners' Group to include active involvement of agencies traditionally not included in workforce development dialogue
- Formed an advisory group comprised of the undersecretaries of the cabinets involved in workforce development activities

INTEGRATING THE STATE DELIVERY SYSTEM

The future of Massachusetts' economic competitiveness rests with its ability to meet the educational and training needs of its employers and citizens. All citizens will need to be educated and trained in order to compete, and employers will need workers who have technical and basic education skills to be competitive in the global economy. The MassJobs Council is moving to ensure that the Commonwealth's employment, training, and employment-related education programs are operating in a well coordinated, efficient, and customer focused manner.

During the past year, the MassJobs Council was designated by Executive Order as a Human Resource Investment Council (HRIC). In becoming an HRIC, the Council was given broad policy-making and oversight responsibilities for all federal and state funded workforce development programs operating in Massachusetts. The Council has been given the leadership role in transforming the Commonwealth's workforce training and education community from a free-standing, disaggregated set of individual programs operating in isolation into a collective, and unified system which the customers of the state-businesses and individuals-can access and utilize to meet their needs. The Council's policies serve to ensure that each program embodies the broad strategies that Massachusetts has adopted to increase its economic vitality, as well as increase the educational and skill level of its workforce.

The MJC over the past year, has taken steps to ensure that all state agencies are aware of the significant changes the Council is moving to implement. To this end, an advisory group comprised of the undersecretaries of the cabinets involved in providing training programs for Massachusetts was formed. This group brings the state's workforce development agenda up another level so that education and training are integrated into all newly developed strategies. With training and workforce development being seen as integral to economic competitiveness and in-



At Governor Weld's Third Annual Regional Employment Board Conference in Hyannis, state officials gathered to discuss how to enhance private sector involvement within. Pictured from left to right: Commissioner Nils Nordberg, Department of Employment and Training, Suzi Teegarden, Executive Director, Industrial Services Program, Secretary Piedad Robertson, Executive Office of Education, Commissioner Robert Antonucci, Department of Education, and David Tibbetts, Undersecretary and General Counsel, Executive Office of Economic Affairs.

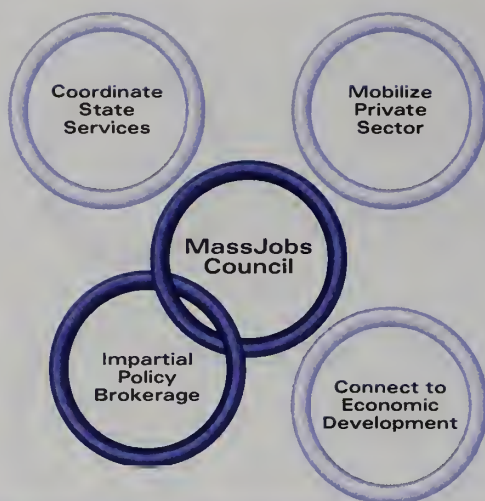
dependence, agencies are looking to the Council for assistance and direction in establishing policy guidelines and developing strategies for the training components of their programs. This has led to the expansion of the existing Commissioners' Policy Group over the past year to include active involvement of agencies traditionally not included in the workforce development dialogue.

In fulfilling its role as an HRIC, the Council has also moved aggressively to prioritize the spending of the valuable discretionary dollars in the workforce development system. This is being done through the Regional Employment Boards (REBs) in order to address their locally identified needs. It is the goal of the Council that this money leverage additional state and private resources. In order to enhance the REBs ability to facilitate this coordination at the local level, the MJC continued this past year to provide the REBs with an Integrated Program Budget that describes each program's self-reported spending, customers served, and demographic characteristics of individuals served in the REB for the previous year. For the first time, the Integrated Budget project gathered self-reported outcome information for the workforce development and training programs at the REB level. In addition, the Council also developed and distributed a Workforce Development Program Directory which gives a description of the employment, training and education-related training programs operating in the Commonwealth. Both the Integrated Budgets and the Program Directory are tools that the REBs can utilize to act as effective local coordinating bodies.



"Under the leadership of Governor Weld and Lt. Governor Cellucci, the MassJobs Council has become a national model for developing and implementing a successful strategy that encourages creativity at the local level and builds on an appreciation of the strengths of a diverse, productive and integrated workforce development system."

*Adrian Ford, CEO,
Three Pyramids, Inc.*



SERVING AS AN IMPARTIAL POLICY BROKER

ACCOMPLISHMENTS

- MassJobs Council School-to-Work Task Force proposal to federal government was accepted and state received grant for \$27.5 million over 5 years.
- MJC played a key role in helping Massachusetts gain increasing national prominence in the workforce development arena.
- Served as advisor and participant in critical state-level legislative dialogues on issues such as welfare reform, health care reform, education reform implementation.
- Played key role in developing alternative education recommendations to Governor Weld.

Increasingly the MassJobs Council is serving the Commonwealth by creating open forums by which policy options can be discussed and long-term strategies developed that address the needs of both customers and constituencies interested in workforce development. The MassJobs Council plays the unique role of framing the issues of workforce development within the larger context of economic development thus inviting the private sector to take an active role in the policy discussion. Furthermore, as business and labor have recognized the MJC's success in linking workforce development with economic development, the Regional Employment Boards are also taking responsibility for convening local leaders to address the specific needs of their communities.

At the March MJC meeting, a panel on the proposed Workforce Security Act was convened that included Bruce Wright of Barry Controls, Barbara Covell of Genetics Institute, Robert Haynes, AFL-CIO, David Osborne, Author and consultant to the U.S. Department of Labor, and Joe Fischer of the National Alliance for Business. The energetic discussion with MJC council members highlighted the many benefits and challenges in transforming the current unemployment system into an employment system that responds to the needs of employees who find themselves dislocated due to the rapid economic changes taking place.

In response to the increased public attention on the need to reform welfare, the MJC convened key policy representatives from the state Senate and the administration to discuss the implications of welfare reform on the workforce development system. The panel also discussed the key role that the private sector will play in developing and securing employment opportunities for customers of the welfare program.

At the request of the state legislature, the MJC convened a task force to address the need to provide quality alternative education to youth that have been suspended or expelled from Massachusetts schools. The Council convened a task force comprised of representatives from private industry, secondary and higher education, the district court system, community-based organizations, and other key stakeholders to develop its policy recommendations. The MJC is working alongside the Commission on Alternative Education led by the Attorney General and the Commissioner of Education, to provide the Governor and legislature with a comprehensive strategy to ensure that youth have educational opportunities in safe learning environments. The final recommendations of this group will be presented to the Governor and the legislature in the fall of 1994.

The MJC also successfully brought together members of diverse background and constituency groups to hammer out a comprehensive strategy for building a school to-work system across the Commonwealth. This strategy,



"The MJC is working to ensure that the Commonwealth's training programs meet their customer's needs—in our case the biotechnology industry—by recognizing that the diverse needs of industry require flexible and innovative service strategies. This is a welcome effort."

*Henri A. Termeer,
President and Chairman of the Board,
Genzyme Corp.*

Learning to Compete, has led to Massachusetts being identified as a leading edge state in this area. The development of the school-to-work policy was built upon the ideas developed at eight roundtables around the state in which private sector representatives, superintendents, and community college presidents discussed how they could work together to better educate our young people for today's work place.

The Regional Employment Boards are being relied upon to inject an impartial regional perspective into what has traditionally operated as a Boston-based, bureaucratically-driven system. Across the state the Regional Employment Boards are gathering together employers, educators, human service professionals and labor representatives to develop strategies for improving workforce development services in their area. In addition, many REBs have taken the lead in bringing together state agencies to examine options for consolidation, coordination, and integrating services to be more accessible to customers. The MJC, in conjunction with the REBs, anticipates being asked to participate in the development of policy recommendations on issues such as health care reform, education reform, and the state's economic development agenda in the coming year.



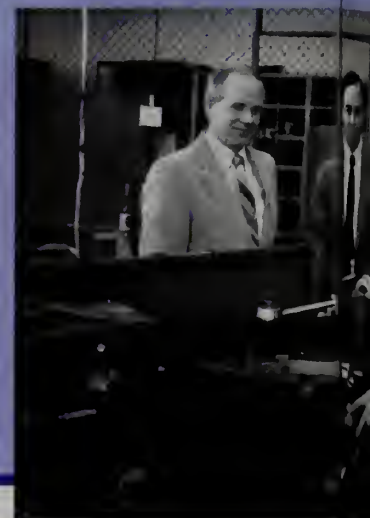
At its March Council Meeting, the MassJobs Council brought together a panel of individuals to discuss how to increase the private sector's role in reinventing Massachusetts' workforce development system. From left to right, the panel included: Bruce Wright, V.P. Human Resources, Barry Controls, Robert Haynes, Secretary Treasurer, AFL-CIO, David Osborne, Author, Joseph Fisher, NAB-NAPIC-DOL Consultant and Barbara Covei, V.P. Human Resources, Genetics Institute.



**Coordinate
State
Services**

**Mas. Job
Council**

**Impartial
Policy
Brokerage**





**Mobilize
Private
Sector**

**Jobs
Council**

**Connect to
Economic
Development**



BUILDING THE MASSACHUSETTS SCHOOL-TO-WORK SYSTEM

LEARNING TO COMPETE: THE VISION OF THE MJC SCHOOL-TO-WORK TASK FORCE

The MassJobs Council School-to-Work Task Force firmly believes that, as a result of significant changes that the Commonwealth has recently made in its approaches to education, economic development, and workforce development policy, it is possible to build upon existing successful programs to create a comprehensive decentralized school-to-work system that will, by the year 2000:

- Afford all young people in Massachusetts, whether enrolled in comprehensive high school, vocational educational schools, or alternative educational programs, the opportunity to learn and demonstrate mastery of a common core of skills at the 10th grade level and to have access to a structured sequence of integrated work and learning activities at the secondary and post-secondary level.
- Provide businesses in the Commonwealth with workers that are educated according to both broadly-recognized academic standards and industry-specific skill standards.
- Empower local business, education, community, labor and political leaders to work through their Regional Employment Board to determine the specific mix of work and learning activities that are most appropriate for their communities.
- Provide all young people who participate in this system with individualized counseling, career search assistance and job market guidance on an ongoing basis.
- Provide all students and graduates of programs in the Massachusetts school-to-work system with a portfolio that documents the specific academic and industry-recognized occupational skills that they have mastered.

In May 1993, the MassJobs Council agreed to initiate a School-to-Work Task Force co-chaired by Secretary of Education Piedad Robertson and Bill Spring, VP of Community Affairs of the Federal Reserve Bank of Boston. The Task Force, in developing its recommendations for building a school to work system, convened regional roundtables to learn from local businesses, educators, and community-based organizations. With the assistance of the many experts in school-to-work and youth employment policy in Massachusetts, the School-to-Work Task Force developed their vision and strategy for building a de-centralized system that could reach scale by the year 2000.

A year later, on May 4, 1994, President Clinton signed the School-to-Work Opportunities Act designed to ensure that all students are able to make the transition from school to work equipped with the skills, knowledge, abilities, and information to compete in today's rapidly changing economy. In July the Commonwealth was designated a leading edge state and was awarded \$27.5 million over a five year period to support the up front costs of building a school-to-work system.

Massachusetts was recognized as a leading edge state due to the strong policy foundations upon which the vision of the MassJobs Council School-to-Work Task Force is based:

- Industry Clusters as an organizing principle provides a concrete way to begin to organize firms to provide work-based learning activities on a significant scale throughout the state
- The Education Reform Act serves as a powerful incentive for every school district in the state to re-examine and enhance the type of school-based learning activities that are available for youth that enter the workforce immediately after high school as well as for those who pursue post-secondary education.
- The MassJobs Council's efforts to build the capacity of the Regional Employment Boards to set policy and provide oversight for the full array of workforce development programs operating in their regions will ensure that connecting activities are developed between students, schools and businesses in each region of the state.

BUILDING UPON OUR STRENGTHS

Currently Regional Employment Boards are engaged in convening members of the private sector, educators, community-based organizations, labor representatives, and higher education to develop plans for building a school-to-work system in their regions. One of the first steps in this planning process is to identify the current career and vocational programs and to identify potential leaders who will share their expertise.

The vision of the MJC School-to-Work Task Force is to build a flexible school to work system that responds to the regional and local economies and



Pro-Tech student, Scarlet Gonzalez, is a graduate of Boston's English High School. She has worked in the pharmacy at Brigham and Women's Hospital for the past 1 ½ years. Because of her exemplary work, Scarlet has opened doors for additional students to have the same high quality work experience.

reflects the innovation and leadership of the local partnerships. The goal is to enhance and expand individual programs and build a school to work system that reaches from the Berkshires to Boston.

◆ ◆ ◆

"This is a new world. The new economy requires workers who possess higher skills than were ever necessary in the past. A heavy responsibility rests on programs like school-to-work to successfully equip our workers with competitive skills, for this will determine not only whether individual workers prosper in high-skill jobs, but whether our states and nation will have those high-skill jobs at all."

Governor William F. Weld

SCHOOL-TO-WORK TASK FORCE

Louis Amadio
Leominster Public School
District

Commissioner Robert Antonucci
Department of Education

Daniel Asquino
Mt. Wachusett Community
College

Commissioner Elmer Bartels
Mass Rehabilitation
Commission

Representative Daniel Bosley
Massachusetts House of
Representatives

Dr. John Curry
Northeastern University

Adrian Ford
Three Pyramids, Inc.

Clara Garcia
Inquilinos Buricuas En Accion

John Gould
Associated Industries of
Massachusetts

Dr. Jerome Grossman
New England Medical Center

William Irwin
Boston Carpenters
Apprenticeship & Training

Benjamin Jones
Hampden County Regional
Employment Board

Representative Ed Lambert
Massachusetts House of
Representatives

Marsha McDonough
Greater Lawrence Vocational
Technical School

Rubin Nieves
Hispanic American Commission

Commissioner Nils Nordberg
Department of Employment and
Training

Hilary Pennington
Jobs for the Future

Senator Lois Pines
Massachusetts State Senate

Senator Henri Rauschenbach
Massachusetts State Senate

Paul Reville
The Alliance for Education

Judge Philip Rivard-Raposa
District Court
Fall River

**Secretary Piedad Robertson,
Co-Chair**
Executive Office of Education

William Spring, Co-Chair
Federal Reserve Bank of Boston

Neil Sullivan
Boston Private Industry Council

Edward Sullivan, Jr.
SEIU Local 254



Michael Porter

Two years ago, the MassJobs Council began working with Professor Michael Porter to develop a strategy that would enhance the competitive advantage of Massachusetts businesses by ensuring the existence of a highly skilled workforce. Over the past year the Council devoted a great deal of energy to ensure that true synergy was achieved in the implementation of the workforce development and economic agenda of the Commonwealth. Industry clusters is a key initiative that the Council is focusing on to link the economic and workforce development agendas.

The MJC is working with Professor Porter, who Chairs the Governor's Council on Growth and Technology, to assist the REBs in continuing to identify those industries that are critical to their regional economic strategy. In FY'93, the state's 16 Regional Employment Boards developed blueprints that identified the training needs of the existing and emerging industries in their region.

This past year, the MJC funded 7 industry cluster projects from its state budget appropriation that the REBs had identified as being essential to advancing the regions economic development

\$49,000

\$100,000



BIOTECHNOLOGY

The MJC funded two projects from its FY'94 state line-item in the biotechnology industry cluster totaling \$49,000. The Minuteman Regional Vocational Technical High School biotech program now offers approximately 36 students a ten month program that will provide technical training in biotechnology manufacturing and biomedical instrumentation. The MJC also funded the Biotechnology Research Institute to identify the skill subsets that are required by this industry and to communicate that information to training providers for modification of existing curricula. In addition, the Institute is identifying the job growth in the biotech industry by job title and educational background to provide better information to training providers as well as those seeking employment.

\$50,000

\$100,000

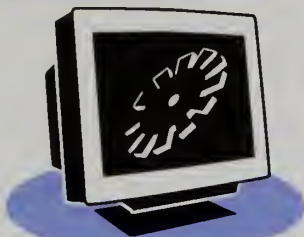


MACHINING/METALWORKING

The Western Massachusetts Metal Working and Tooling Industry received a \$50,000 grant to bring industry and training providers together to update curricula to meet the skill needs of the industry, and to develop apprenticeship programs that will provide the necessary education and training skills that the industry has determined is needed for the future success of its work force.

\$73,800

\$100,000



\$87,762

\$100,000



\$30,000

\$100,000



\$73,409

\$100,000



\$48,400

\$100,000



PLASTICS

The MJC awarded a \$73,800 grant to the Leominster Center for Technical Education to restructure its training curriculum to reflect the rapid change of technology taking place in this industry. Students will now be able to acquire skills in computer aided design (CAD), mold making, and an expanded training program in mold design on CAD equipment and CAD software.

HOSPITALS/ALLIED HEALTH

A consortium of four REBs in the Southeastern section of the state received a \$62,762 grant to bring industry leaders together to gather and analyze labor market data to better target their training resources to the needs of the allied health industry and improve the information in area schools for academic preparation and career counseling. The MJC sponsored a second grant for \$25,000 to the Metro North REB to build a school to work transition model that will incorporate a four year educational component combined with skills training at work sites in the health and medical industry.

TOURISM

The Cape Cod and Islands REB was awarded a \$30,000 grant to upgrade the customer service and hospitality standards for workers in the region's tourism industry and develop a curriculum that will teach the required skills.

ENVIRONMENTAL

The Northshore REB received a grant totaling \$49,209 and the Metro South/West REB received a grant of \$24,200 to assist the environmental industry cluster to update their existing technical skills curriculum through new testing modules. They will also provide current and future forecasts of the type of jobs available and the number of jobs available. The REB will be integrating the number of training programs available in the region for this cluster of industries to provide a more coherent, comprehensive and non-redundant system of training.

TELECOMMUNICATION

The Metro South/West REB was awarded a \$24,200 grant to improve the gathering of labor market data on the telecommunication cluster by designing a data base of industry cluster contacts, the involvement of these businesses in training programs, as well as training providers. The REB will also act as a catalyst to develop strategies for businesses to work with schools to enhance career awareness and develop better student skills.

The Regional Employment Boards are key to achieving the MassJobs Council's vision of a locally managed workforce development system. In the past year the Council has attempted to improve the two-way communication between the REBs and the MJC through increased dialogue and enhanced technological linkages. This improved communication has enabled the Council and its committees to more effectively hear and address some of the needs expressed by the REBs, and has assisted the REBs to more closely interact with the decision making processes of the Council.

REB CHAIRS PRESENT IDEAS TO THE COUNCIL

In December, eight REB Chairs presented their ideas and perspectives on Massachusetts' workforce development system at the MJC's winter meeting. The REB Chairs indicated that to effectively mobilize the business community, they must concentrate on two or three key issues locally rather than attempting to tackle a diverse set of policy issues all at once. The Chairs specifically asked for increased funding for incumbent worker training and funding to hire independent REB staff. Monies for these requests were included in the Council's FY '95 state budget appropriation. The Chairs also asked for greater clarity around both their statutory authority, and their real authority, to impact the local programmatic decisions of state agencies. This issue is being addressed by the Council as it considers the development of new MJC and REB legislation.

The Council recognizes that Regional Employment Board members and Chairs are volunteer private sector individuals and that for them to play an increasingly broad and important role in the sixteen regions of the Commonwealth, the system will need to become far less bureaucratic and cumbersome. The Council is working with the state agencies to affect this change and through the dedicated work of the REBs, we are confident that the pace of this change is accelerating.

INDUSTRY CLUSTERS AND ECONOMIC DEVELOPMENT

Over the past year the REBs have taken on major new responsibilities in responding to the local needs of their industry clusters and developing increased linkages to local economic development activities. The concept of industry clusters has become an important organizing method for REBs to provide policy oversight to the activities taking place in their regional workforce development system.

During FY'94 four REBs developed new industry cluster initiatives in the areas of textiles and apparel, plastics and environmental engineering. These are in addition to the cluster-related activities begun in FY'93 in machining, software and biotechnology. The REBs and the MJC have supported and



Members of the Southeastern REB consortium (Bristol, Brockton, New Bedford, and South Coastal REBs) receiving an Action Project award from Lieutenant Governor A. Paul Cellucci.

located funding for these industry cluster training initiatives and, therefore, have demonstrated the Commonwealth's commitment to assisting these industries and companies in meeting their needs. In addition, the REBs have begun to work closely with the seven new regional Massachusetts Office of Business Development (MOBD) one-stop centers. These relationships will continue to grow and strengthen as both the MOBD offices and the REBs expand their efforts and build their constituencies.

SCHOOL-TO-WORK

In the area of school-to-work, the REBs were instrumental in the development of the Commonwealth's implementation grant proposal that was submitted to, and approved by, the federal government. Collectively, the REBs found the employer community to be interested in playing a role in the development of a comprehensive school-to-work system, but also somewhat cautious about the way in which their participation would be received by the education community. Representatives from private industry were clear that in order for their participation to be meaningful and lasting, the dialogue must continue to be open and prospective. The messages from the REB Chairs that implementation of school-to-work must be a true partnership has been incorporated into the school-to-work planning.

The school-to-work effort has been embraced by the Governor's Council on Economic Growth and Technology. This group has appointed a subcommittee to closely look at the school-to-work issue and develop strategies that will enlist an increasing number of Massachusetts employers in this critical effort.

REB ORGANIZATION

The role of the REBs is to act as an honest broker, convener and catalyst, in addition to their statutory responsibility to set local workforce development policy. As the demand for the REBs to play these diverse roles increases from the Council, the legislature, and local communities, there will be an increasing need for the REBs to reexamine both their organizational structure and their traditional roles and responsibilities. The new demands placed on REBs will move these boards into the very broad arena of developing strategies to address the needs of all citizens, not just those hardest to serve. This fundamental paradigm shift will necessitate that the REBs be completely independent of all local service providers. To build the capacity of REBs to take this step towards independence, funds will be appropriated from the MassJobs Council's state line item for each REB to hire independent staff in FY'95.



Al Ingegni, III leads a roundtable discussion on defining and developing REB Capacity at the Governor's Third Annual REB Conference in May 1994.

REGIONAL EMPLOYMENT BOARD CHAIRS

Franklin/Hampshire Regional Employment Board

Michael Derosé
Vice President, Human Resources
Franklin Medical Center
Greenfield

- Environmental Services
- Tourism
- Wholesale Trade

North Central Regional Employment Board

Charles Bowles
Chairperson/CEO
GFA Credit Union
Gerdner

- Machining/Metalworking
- Plastics
- Printing & Publishing
- Paper Products
- Health Care

Northern Middlesex Regional Employment Board

Bonnie Posnak
Director of Personnel
Ideal Tape, Inc.
Lowell

- Biotechnology
- Health Care
- Environmental Services
- Financial Services

Berkshire Regional Employment Board

Albert A. Ingegneri, III
Vice President, Real Estate Operations
Hillcrest Hospital, Pittsfield

- Information Technology
- Health Care
- Plastics
- Paper Products
- Tourism

Hampden County Regional Employment Board

Benjamin Jones
Retired CEO, Monarch Capital
Private Industry Council/Regional
Employment Board
Springfield

- Environmental Services
- Tourism
- Wholesale Trade

Southern Worcester Regional Employment Board

Katherine Hessel
Vice President, Human Resources
Paul Revere Insurance Company
Worcester

- Biotechnology
- Health Care
- Advanced Materials
- Machining/Metalworking
- Plastics

Metro South/West Regional Employment Board

C. Lynn Wickwire
Vice President
U.S. Boston Capital Corporation
Lincoln

- Information Technology
- Biotechnology
- Environmental Services

Bristol County Regional Employment Board

Stewart Washburn
Business Lending Consultant
Fall River

- Information Technology
- Health Care
- Environmental Services
- Marine Sciences & Technology
- Hospitals

AND LOCALLY IDENTIFIED CRITICAL INDUSTRIES

Lower Merrimack Valley Regional Employment Board

Leonard Wilson
President
First Essex Savings Bank
Lawrence

- Information Technology
- Biotechnology
- Environmental Services
- Machining/Metalworking
- Plastics
- Textiles/Apparel
- Tourism

Metro North Regional Employment Board

Frederick Ritzau
Vice President
United Electric Controls
Watertown

- Software
- Information Technology
- Biotechnology
- Health Care
- Environmental Services
- Hospitals
- Financial Services

Northshore Regional Employment Board

Robert Donelan
Sr. Vice President
Eastern Bank
Lynn

- Information Technology
- Environmental Services
- Marine Sciences & Technology
- Hospitals
- Wholesale Trade

Boston Private Industry Council

Paul O'Brien
CEO
NYNEX
Boston

- Biotechnology
- Health Care
- Environmental Services
- Hospitals
- Financial Services

South Coastal Regional Employment Board

Terry Fancher
General Manager
South Shore Chamber of Commerce
Quincy

- Biotechnology
- Health Care
- Environmental Services
- Financial Services

New Bedford Regional Employment Board

Amy Franklin
President
Franklin Environmental
New Bedford

- Textiles/Apparel
- Hospitals

Brockton Regional Employment Board

Virginia Burke
Brockton

- Environmental Services
- Financial Services
- Wholesale Trade

Cape and Islands Regional Employment Board

Henri Rauschenbach
Cape Cod Sea Camps
Brewster

- Information Technology
- Health Care
- Environmental Services
- Marine Sciences & Technology
- Tourism

MASSJOBS COUNCIL MEMBERS

CHAIR

Argeo Paul Cellucci
Lieutenant Governor
Commonwealth of Massachusetts

CO-CHAIR

Harold T. Epps
General Manager
Inner City, Inc.
A Subsidiary of Polaroid Corporation
Boston

MEMBERS

Robert V. Antonucci
Commissioner
Department of Education
Malden

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A LOOK AHEAD

This report highlights some of the MassJobs Council's accomplishments during the past year. More importantly, it also presents the policy framework that the Council has established that will allow the MJC and Regional Employment Boards to make fundamental and lasting improvements in the Commonwealth's workforce development system. Thus, while we are careful to celebrate our incremental successes as they happen, we are fully cognizant that the work ahead presents many challenges and opportunities.

The next major phase of the Council's work is to begin the process of truly making government more responsive to the need of its customers. We recognize that there is strong sentiment among many in the private and public sector that a total dismantling and discarding of the existing workforce development system must take place. We believe, however, that there exists within the current \$1 billion system significant evidence that, given strong leadership and focus, a true public-private partnership can be achieved that is customer focused not driven by the needs of the bureaucracy. The Council is therefore working closely with the existing state system and its customers to identify and adopt the best attributes of the current system, while implementing fundamental changes to those components that no longer function properly. It is the goal of the Council to develop a system that incorporates continuous improvement strategies so that it will reform and reshape itself in response to changes in customer demand. The resulting system, at a minimum, should achieve the following objectives:

- meet the needs of employers who will then enthusiastically turn to the public sector with job opportunities/listings and be interested in hiring program completers;
- provide continuous feedback to all suppliers of services;
- empower front-line program staff to make important strategic decisions;
- contain common and understandable performance measures;
- incorporate employer involvement in establishing curriculum and setting standards that reflect industry need;
- nurture employer involvement on the REBs and a willingness to participate in public policy making;
- recognize the interdependence between family and work life and provide support systems that promote, not impede, this relationship;
- possess an effective and comprehensive information system that is user-friendly and is located in areas where customers can easily gain access;
- embody continuous improvement in the system;
- delight the customer — both individuals and businesses.

We believe Massachusetts' workforce development programs to be fertile ground for the development of a system rooted in these principles. We are confident that enormous strides have been made in the past year in bringing a coordinated policy framework to the operation of this system. We are energized about the work before us and recognize our work is a partnership with the Regional Employment Boards, state service deliverers, the legislature, individuals, and business, without whom our efforts could not be successful.

June 1994

Dear MassJobs Council members,

After five years on the Council I take great pride in having my name associated with this year's Annual Report. Over the past three years the Council has made significant progress in realizing the vision for an effective workforce development system here in the Commonwealth. The progress made to date is a credit to the many dedicated members of the Council, Regional Employment Boards, MJC staff, state agencies, and program operators. Our efforts have captured the attention of many around the nation and in Washington. This has enabled us to play a role in forging new legislation at the federal level that will enable all states and regions to become more customer-focused and driven. We should all take great pride in this accomplishment. Governor Weld, Lieutenant Governor Cellucci, and the legislature have been highly supportive of this Council and to them we owe a debt of gratitude. They have understood the changes that are taking place in our economy and have allowed the Council the freedom and flexibility to bring about the changes necessary for Massachusetts to help ensure that our employers and citizens can be competitive in the new global economy.

As I leave the Council, I want to congratulate Harold Epps on his appointment as the new Co-Chair. Harold will bring new perspectives and new energy to this vital task. I want to thank everyone for their contribution and for their support of me over these past five years. I urge you to continue to find new and creative ways to build a workforce development system that keeps Massachusetts' employers and workers on the leading edge.

Sincerely,

Anthony R. Sapienza

Anthony R. Sapienza





MASSACHUSETTS
COMMONWEALTH
OFFICE OF THE ATTORNEY GENERAL
STATE HOUSE
JANUARY 1, 1900

Page 124



Arthur R. Lapina
Governor



ACKNOWLEDGEMENTS

This report was prepared by the MassJobs Council under the leadership of Stephen Hines, Associate Director. Any listing of acknowledgements could not do justice to the many REB volunteers and staff, as well as the state agencies, who have given their time and talents to work with the Council and staff to bring about a more responsive and effective workforce development system for the Commonwealth. To them we express our greatest appreciation.

*Peter T. Koch
Executive Director*

Special thanks: Sanders/Tikkanen Design

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MA95 Y3-MJ38:1/994/95

MASSJOBS COUNCIL

ANNUAL REPORT TO
THE GOVERNOR AND
THE LEGISLATURE

JULY 1, 1994 TO JUNE 30, 1995

GOVERNMENT DOCUMENTS
COLLECTION

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Depository Copy



CHARTING A NEW COURSE FOR THE COMMONWEALTH'S WORKFORCE



Dedication

This annual report is dedicated to the memory of Steven Spinner — a man whose ideals and intelligence inspired us all.

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ABOUT THE COVER

The artwork for the cover of this annual report, "Charting a New Course", was painted by David Biedrzycki of Medfield.

The piece symbolically depicts the mission of the MassJobs Council. High above in the "crow's nest", the Commonwealth is guided by the Council's vision of a market-based workforce development system. Direction for the journey is provided by state government "steering rather than rowing". The momentum for the voyage is powered by the sails of private industry. While the rigging for the sails is managed at the local level by the Regional Employment Boards.



MASSJOBS Council

The Honorable William F. Weld
Governor
Commonwealth of Massachusetts
State House, Room 360
Boston, Massachusetts 02133

Dear Governor Weld,

We are pleased to present to you the Fiscal Year 1995 Annual Report of the MassJobs Council as required by Chapter 145 (Section 46) of the Acts of 1991. A copy of this report is also being presented to the President of the Senate and the Speaker of the House of Representatives.

The MassJobs Council has now completed four years of very productive work and has started leading major reform, re-invention and realignment of the workforce development system here in the Commonwealth. FY '95 saw the culmination of our efforts to define the size, scope and delivery mechanisms of the job related education, training and employment services here in Massachusetts. This has led to our receiving major funding from the US Department of Education and the US Department of Labor for two initiatives that will lead to major transformation of K-12 education in conjunction with Massachusetts' education reform, and development of a competitive system of comprehensive career centers across the Commonwealth. These two initiatives are bringing about a workforce development system which will be driven by customer need, customer demand and customer satisfaction more than ever before.

Massachusetts has made the Regional Employment Boards the center piece of our reform efforts. During FY '95, we continued our investment in the capacity of these Boards to handle the increased responsibility we are asking them to carry in setting policy and providing oversight at the regional level. We continue to be impressed with the quality and commitment of the private sector leadership of our sixteen Regional Employment Boards.

We are asking the Regional Employment Boards to approve the partnerships which will receive School-to-Work implementation grants and to select, through competitive bidding, the organizations which will operate our Career Centers. Furthermore, we have asked them to play a major role in enlisting employers to work with us in finding employment opportunities for the AFDC recipients who will be required to find employment or perform community service under the recent Welfare Reform Act. We are convinced that our investment in these local boards is a wise one and that you will continue to see the energy, experience and perspective that will enable us to build a strong and credible public/private partnership that will help ensure Massachusetts' workforce competitiveness.

Additionally, with the workforce development funds appropriated in the FY '95 budget, we matched employers funds for programs aimed at the retraining of incumbent workers.

Requests for these funds came from the Massachusetts Office of Business Development working with new start-up firms or companies that are relocating. Other requests originated with employers who have introduced new equipment and processes into their operations.

We are appreciative of the support both you and the legislature have shown toward our efforts this past year. We are also pleased to report that we continue to receive outstanding support and cooperation from the many state agencies who are involved in the delivery of workforce development services. This is particularly noteworthy because of the many changes and uncertainty in the scope and direction of workforce development in Massachusetts and the nation.

The next 3-4 years will test the viability and wisdom of the vision we set in 1991. Much of what we have worked for over the past three years is contained in the federal reform proposals in Washington. There are many challenges ahead as we test the viability of a universal system of workforce development services, introduce competition in the delivery of public services, and fully engage the private sector in building an education system that serves not only our young people, but, provides encouragement and opportunity for all of our workers to engage in lifelong learning.

We are pleased by the progress we have made and look forward to the challenges ahead.



Argeo Paul Cellucci *Harold T. Epps*

Argeo Paul Cellucci
Lieutenant Governor
Chair

Harold T. Epps
General Manager
InnerCity, Inc.,
A subsidiary of Polaroid
Co-Chair

The MassJobs Council Vision and Mission

Vision: The Commonwealth's Workforce development system enables Massachusetts' residents to acquire the information and skills necessary to maximize their economic self-sufficiency, and provides Massachusetts' employers with the workforce they require to effectively compete in the global economy.

Mission: The MassJobs Council will foster the creation of a market-based system that:

- links workforce development to economic development;
- mobilizes the private sector; and
- integrates the service delivery system

*T*oday's job reality is that more citizens at all economic levels will need job training and placement services several times during their working years. To meet the challenge of this new reality, our present system must be transformed. The MassJobs Council has been leading this evolution over the past four years."

Governor **William F. Weld**

I commend the MassJobs Council. This success is a tribute to Massachusetts' innovative leadership on key workforce issues. This kind of federal-state partnership is the most effective way to maintain that leadership and build on it for the future."

Senator **Edward Kennedy**

*I*n order for welfare reform to succeed, the public and private sectors must work together to form a strong partnership. Our company is ready to form such a partnership with the state, and to work with welfare recipients in their transition to employment. We believe the MassJobs Council is the best forum in which the government and business can meet to solve the most difficult problems facing Massachusetts."

Kija Kim, President
Harvard Design and Mapping Company

*T*he MassJobs Council has worked with us at Lockheed Martin Defense Systems to support the retraining of current employees — a step beyond the more traditional approach of retraining unemployed, displaced workers. Such forward thinking keeps people working and companies more competitive, which are big pluses for Massachusetts taxpayers."

Stephen Conner, President
Lockheed Martin Defense Systems

HISTORY OF THE COUNCIL

Since its inception in 1988, the MassJobs Council has been working to create a market-based workforce development system in Massachusetts that:

- *links workforce development to economic development,*
- *mobilizes the private sector, and,*
- *integrates service delivery to customers*

As the issues facing Massachusetts' workforce development system have evolved since 1988, so too has the nature of the Council's work.

During the late 1980's, the MassJobs Council's primary function was to serve as an information broker and convener of state agencies and institutions. As the Commonwealth's first state-level supercouncil for workforce development, the Council's principal customer was, in fact, the system from which it emerged. The newly created MassJobs Council provided an opportunity for programs to work across traditional boundaries and address issues common to the entire workforce development system. The MassJobs Council quickly found, however, that the programs it oversaw did not function as a system at all, but rather as a series of free standing institutions which often worked in isolation of each other. The Council spent its infancy aggregating information concerning these programs and laying the groundwork for the better coordination of job training policies and the future integration of workforce development services.

In 1991, newly elected Governor William Weld appointed Lieutenant Governor Paul Cellucci to Chair the MassJobs Council and charged it with the authority to act as his principal advisory board on workforce development and economic development. To forge a closer connection between these two arenas, the Weld-Cellucci Administra-

"The Council spent its infancy laying the groundwork for the better coordination of job training policies."



As the Governor's principle advisory board on workforce development, the MassJobs Council serves to: link workforce development with economic development, mobilize the private sector, coordinate the state delivery system, and act as an impartial policy broker.

tion enlisted the private sector to play a more active role in the work of the Council and redefined the mission of the Council to include business and industry as full partners. These steps provided the Council with new visibility and it quickly began building the infrastructure needed to transform the disconnected programs into a well coordinated, market-based system. In 1992, the Council's efforts were recognized by the National Alliance for Business which named Massachusetts its State of the Year for our pioneer efforts in building a cohesive workforce development system.

The past year has represented the next transition point for the MassJobs Council. In the fall of 1994, the Council submitted a winning proposal to become one of the first six states in the nation to receive a career center implementation grant from the US Department of Labor. This three year, \$11.6 million initiative provides the MassJobs Council with a vehicle to create an innovative system of workforce development services that will be competitive in nature, performance based, and truly customer-driven. In addition, Massachusetts re-

cently passed one of the most sweeping welfare reform measures in the nation. This initiative places the MassJobs Council and the Regional Employment Boards at the center of a mandate to work in full partnership with the business community in replacing traditional cash assistance with gainful, private sector employment opportunities for welfare recipients. These initiatives, combined with our \$37.5 million school-to-work grant, continue to place Massachusetts at the forefront of national public policy development in the areas of decentralized decision making and the creation of effective, public-private partnerships.

THE COUNCIL TODAY

It is clear to most observers that 1995-1996 is a time of seismic change in the workforce development arena. Unlike recent years, when re-engineering efforts have largely focused on the margins of this system, forces at the state and federal levels have now come together to create an environment ripe for wholesale, fundamental change.

The opportunities that exist at both the state and federal level come at a time when the MassJobs Council is well positioned to take on the next phase of work. The mission for the MassJobs Council in the coming year is to take aggressive steps to ensure that Massachusetts' workforce development system is properly structured and mobilized to take full advantage of the opportunities now before us.

Many in the field of workforce development view the "new federalism" emerging from Congress as a serious threat to the very existence of the workforce development system. While the MassJobs Council recognizes that this period of transition will be one marked by uncertainty and risk-taking, the Council also believes that it provides the opportunity to go beyond our historical assumptions and challenge ourselves to re-examine the core business that we are in. Rather than seeking short term solutions to the problem of doing more with less, the Council is committed to finding lasting solutions by asking the fundamental question of whether the government should, in fact, be doing less with less.

Issues like block grants, funding rescissions, and

"The MassJobs Council is well positioned to take on the next phase of work."

customer vouchers will force every state to examine this difficult question. Massachusetts is fortunate that many years ago it recognized the significance of these issues and, through the creation of the MassJobs Council and the Regional Employment Boards, established standing forums for addressing them. We believe that Massachusetts must continue to be ahead of this process and immediately take the steps necessary to restructure its workforce development system in anticipation of,

not reaction to, these changes. In the coming year we will be re-examining nearly every aspect of workforce development and asking the fundamental question of whether government is the most proper and efficient entity to provide services in this area. If the answer is yes, we must then challenge ourselves to question whether it is necessary that state government fulfill this function, or should responsibility and resources be sent to the local and regional levels where customer need is best understood.

Change amidst

radically altering circumstances is always unsettling. It also generates the most opportunities for success. The MassJobs Council, in full partnership with our Regional Employment Boards and state service deliverers, believes Massachusetts can continue to lead the way in incorporating entrepreneurial thinking into each level and function of government.

Transforming the Massachusetts Workforce Development System



The MassJobs Council has clearly mapped out the legs to be traveled to achieve its goal of creating a well-coordinated, market-driven workforce development system.

SCHOOL-TO-WORK:

LEARNING TO COMPETE

In 1993, the Commonwealth passed the far-reaching Education Reform Act...

"to provide a public education system of sufficient quality to extend to all children the opportunity to reach their full potential and to lead lives as participants in the political and social life of the Commonwealth and as contributors to its economy."

Thus, the goal of the education system is to prepare our children to be effective in their future roles as: citizens and leaders; community and family members; and, employees and business owners.

The School-to-Work initiative, a joint effort of the MassJobs Council and the Board of Education, is designed to be a catalyst for advancing education reform. The objective of this initiative is for all students to be able to make informed choices about their future career options and be fully prepared with the skills, experience and knowledge to pursue career paths in the workplace and through further education and training. The School-to-Work initiative links education, workforce development and economic development, ensuring that public and private funds are effectively used to strengthen our economy and communities.

HIGHLIGHTS OF THE PAST YEAR:

- Massachusetts received a federal grant for \$37.5 million to develop a comprehensive state-wide School-to-Work system.
- The School-to-Work Committee was established by the Governor to provide policy oversight for the School-to-Work grant.

"School-to-Work is designed to be a catalyst for advancing education reform."

- The Office of School-to-Work was established to oversee the implementation of the grant.
- Governor Weld spoke at the National Governor's Association Roundtable on School-to-Work..
- The federal grant supporting Boston's School-to-Work initiative, ProTech, was renewed.
- Seven Regional Employment Boards took the lead in developing regional strategic plans and oversaw the development of demonstration programs.
- Forty-two Regional Employment Board-ap-



School-to-Work enables students to explore the range of careers available, learn skills and information relevant to the job market, participate in work-based programs and earn skill-certificates recognized by specific industries.

proved local partnerships were formed to begin the difficult task of implementing a School-to-Work system in their communities.

- The Office of School-to-Work and the Commonwealth's PALMS (math and science initiative) formed a strategic alliance to further their common objectives.

COMPONENTS OF OUR SCHOOL-TO-WORK SYSTEM

ALL STUDENTS: Student-centered strategies that recognize and promote the aptitudes and abilities of students with diverse backgrounds and experiences.

SCHOOL-BASED LEARNING: Expanding inquiry-based, hands-on learning that emphasizes high academic standards, examples based on real life workplace situations, and provides multi-year career exploration and counseling.

WORK-BASED LEARNING: Students can learn everywhere; in the classroom, in the community and in the workplace. High school students will work in positions that offer a planned program of job training according to industry or company based skills standards that introduces students to all aspects of an industry. Mentoring and a student's academic curriculum will link the tasks performed at the workplace with the lessons in the classroom.

CONNECTING ACTIVITY SERVICES: Connecting activity services will bridge the gap between the world of education and the world of work. A liaison between employers, schools, teachers, students, program design and employment services will expedite the building of a School-to-Work system.

THE ROLE OF THE PRIVATE SECTOR

There are a multitude of activities in which employers can make a difference to both students and the education system. Employers can participate by offering student employment career exploration experiences, youth apprenticeships, and faculty summer internships. Each type of activity makes a unique contribution to students, teachers, and the schools in which they learn and teach. The MassJobs Council and Associated Industries of Massachusetts are working together with other businesses and industry associations to enlist their membership in the School-to-Work initiative.

THE ROLE OF THE REGIONAL EMPLOYMENT BOARD

A unique feature of the Massachusetts School-to-Work effort is the leadership role assigned to the Regional Employment.

The Regional Employment Boards have played four critical roles:

- Identified programs in their community that form the foundation for the School-to-Work system.
- Sought involvement from diverse constituency groups within their regions.
- Developed strategic School-to-Work plans to guide their communities over the next five years.
- Facilitated the development of local partnerships that will implement the School-to-Work initiative.

The Regional Employment Boards will have an ongoing oversight role in providing the impetus for developing partnerships as well as the significant role of evaluating the effectiveness of the School-to-Work system.

The following business associations are representative of those participating in the School-to-Work effort:

- Associated Industries of Massachusetts
- Governor's Council on Economic Growth and Technology
 - Massachusetts Business Alliance for Education
- Massachusetts Association of Chamber of Commerce Executives
 - Massachusetts Food Association
 - Massachusetts Biotechnology Council
 - Massachusetts Retail Association
- Massachusetts Telecommunications Council
 - Massachusetts Restaurant Association
- Environmental Business Council of New England
 - Berkshires Plastics Network
 - Massachusetts Business Roundtable
- Western Massachusetts Software Council
- National Health Employers School-to-Career Network

CAREER CENTERS:

INVESTING IN CUSTOMER CHOICE

In October of 1994, Massachusetts was awarded an \$11.6 million grant from the US Department of Labor for the implementation of a statewide career center system. During the next three years, the MassJobs Council Career Center Initiative will make it possible for high quality organizations to become comprehensive information brokers, capable of giving employers and individuals the ability to acquire all of the education, training and employment information and services they need.

In short, the system will be more efficient, more innovative, more responsive, and more accountable to our customers — all employers and job seekers.

The MassJobs Council design and implementation strategy is nationally unique in several aspects:

- Selection and chartering of the centers will be done by the Regional Employment Boards. These Boards are the nation's only example of local private-sector led policy bodies which are charged by state law explicitly with tackling broad-based workforce development issues.
- Customers will have a choice among competing centers within their region. Each center will bring its own vision of how to deliver effective services, and will be required to compete for customers and resources. Each center will be a neutral broker, capable of providing information and advice to customers without institutional bias.
- The Career Center Initiative recognizes employers and individuals as equally important customers of the system. Our strategy is tailored to facilitate Massachusetts firms' investment in maintaining a skilled workforce and to meet their hiring needs.
- Regional Employment Boards will be selected for implementation through competition. In FY '96, four Boards have been selected: Boston, Hampden County, Metro North and Berkshire County. A second group of 4-6 boards will be selected in FY'97, with the remaining Boards coming on line in FY'98.
- The Career Center Initiative builds upon four years of work by the MassJobs Council to de-



"These centers will give Massachusetts' citizens direct access to the information and services they need to make informed decisions about their career. Employers will also find a wide array of information and services on which to base their hiring, training and business growth decisions."

Lieutenant Governor
Paul Cellucci

velop our capacity to manage a workforce development system rather than a traditional array of more than 40 separate programs. The design is not for an isolated program, but for strategically conceived centers that support customers in making informed choices about their education, training and employment needs.

Following closely behind the School-to-Work Initiative, the MassJobs Council Career Center Initiative represents the second fundamental change to the existing way of doing the public workforce development business of the Commonwealth. This initiative supports the vision established by the MassJobs Council in 1992, and will continue Massachusetts in a leading position nationally. This type of change will have a significant long-term positive impact on the attractiveness of Massachusetts as a place to do business. Investing in our human resource systems builds a competitive advantage.

THE MASSACHUSETTS MODEL

Everyone is a potential customer for information and brokerage services — both individuals and employers — regardless of whether they are members of any particular target group. Therefore, centers must be capable of meeting the needs of widely varied customers reliably and without red tape. The Council envisions centers becoming known as the primary places to go whenever an individual faces career preparation or transition decisions or when employers must address employment or staff training needs.

Each customer will be able to choose among multiple centers within a region, each with differing operators, expertise and approach. The system and its funding will be driven by customers and the choices of center they make; those that achieve large volumes of satisfied customers will be rewarded; those that don't do as well will suffer reduced funding and potentially, loss of franchise to be a chartered center.

Career Centers will be chartered to provide employers and job seekers with universal access to publicly-funded core services, emphasizing job

screening, job matching and job placement. Career Centers will also offer fee-based, enhanced services which are more intensive and customized to the needs of individual job seekers and employers. Fees may be paid by job seekers, employers, unions, or by federal, state, or philanthropic sources. Operators will be encouraged to be entrepreneurial and to create a variety of services that meet customer needs and build on market opportunities.

Eligible bidders to operate centers include public agencies, community colleges, not-for-profit organizations, for-profit companies, or consortia of these organizations. Regional Employment Boards may not directly operate a center since they will be selecting operators and overseeing their results. Charters will be for a fixed period, such as 2-3 years, with a renewal based upon performance.



At the Annual Regional Employment Board Conference, members were briefed on Career Centers by (left to right): Nancy Snyder, Boston Regional Employment Board; Bill Ward, Hampden County Regional Employment Board; Larry Good, Corporation for a Skilled Workforce; John Buonomo, Initiative Director.

The Council will invest significantly during this project in five areas of support: capacity-building at all levels; development of information technology; marketing; administration; and quality assurance.

Implementation of this initiative is fundamental to reinventing the workforce development system in Massachusetts

COMPONENTS OF MASSACHUSETTS' CAREER CENTERS

UNIVERSALITY

Centers will provide all population groups - any job seeker or employer - with access to free core services and fee-based enhanced services emphasizing job screening, job matching and job placement.

CUSTOMER CHOICE

All customers will have a choice of centers in each region from which to obtain information and the tools they need to access comprehensive employment services.

INTEGRATION

The new system will consolidate all employment and training services into a seamless, well-coordinated, state-wide network that is customer friendly and easy to use.

ACCOUNTABILITY

The system will be focused on continuous improvement by gauging customer satisfaction. Funding will be driven by customers and the choice of centers they make; those that achieve large volumes of satisfied customers will be rewarded.

WORKER RETRAINING:

MAINTAINING A COMPETITIVE COMMONWEALTH

Of the more than 160 federally funded programs for job related education and training, virtually none provide for the training of incumbent workers. The increasingly competitive economy has put many of Massachusetts' incumbent workers at risk because they lack the necessary skills required in today's workplace. Many of these workers are employed by small and medium sized firms which do not have the resources to do significant re-training. This past year, the MassJobs Council responded to this need by directing nearly 20% of its state resources toward employers seeking to upgrade the skills of their current workers.

During FY '95, the Council made available over \$375,000 to employers through matching grants applied for by the Regional Employment Boards. In several instances, these grants were cobbled together by the MassJobs Council with the assistance of funds from the Department of Employment and Training's Tactical Training Initiative, the Industrial Services Program and the Bay State Skills Corporation. This col-

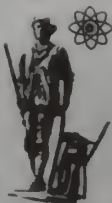


In Boston, training grants were awarded to the International Ladies' Garment Workers' Union and Bull Electronic.

laboration is a vivid example of the role of the MassJobs Council in economic development through the allocation of funds and the brokering of services. In some cases, programs were offered in a way that brought employees from more than one company together to receive training at the same time in the same classroom. More and more



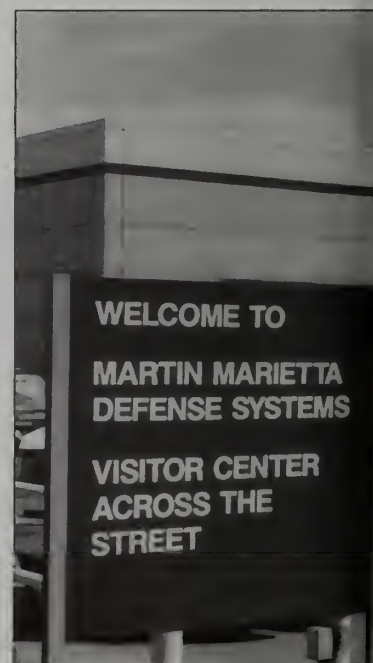
**Minuteman Science-Technology
High School & Adult Career Center**



**ADULT EVENING CLASSES
START SEPT. 18
CALL 617-861-7150**

At Minuteman Tech in Lexington, the Council funded a ten month program providing technical training in the areas of Biotechnology and Environmental Technology.

Through the Berkshire County Regional Employment Board, the MassJobs Council invested in a comprehensive worker training program at Martin Marietta in Pittsfield.



employers are discovering that their incumbent workers, particularly their older workers, do not have the literacy and math skills necessary for a team based, total quality workplace.

In addition to specific re-training grants, the MassJobs Council has collaborated with the Massachusetts Office of Business Development in identifying funds that enabled the Commonwealth to respond to new and prospective employers who sought training funds as part of a package to start-up or relocate in Massachusetts. Some of these packaged funds were allocated from the MassJobs Council line item, but more often, they included the other partners: the Department of Employment and Training, the Industrial Services Program and the Bay State Skills Corporation.

The skill levels of incumbent workers will continue to be a growing concern for employers as the competitive pressures of our rapidly changing economy demand a workforce training solution. The MassJobs Council, the Regional Employment Boards and the employer community are developing creative ways to better leverage available public and private funds to meet this challenge.



In Hampden County, Smith & Wesson and SpringBoard Technologies were awarded training grants by the MassJobs Council.



WELFARE-TO-WORK:

FROM ENTITLEMENT TO EMPOWERMENT

In February of 1995, Governor Weld signed into law sweeping welfare reform legislation that will impact not only the nearly 100,000 families currently in the Aid to Dependent Families with Children (AFDC) program, but also the individual taxpayers and businesses of the Commonwealth.

The Massachusetts welfare reform law, the boldest and most far-reaching in the nation to date, replaces traditional cash assistance with time limited benefits and work/community service requirements for all able-bodied AFDC recipients with school-aged children. The law establishes that it is the welfare recipient's responsibility to find gainful employment, and it makes significant support benefits available for recipients who go to work. The legislation specifically directs the MassJobs Council to develop a strategic plan for key employment-related components of the initiative. It also calls upon the Council to cultivate awareness within the business community around the importance of providing job opportunities to welfare recipients.

The importance of the MassJobs Council's role in welfare-to-work will grow significantly in the coming year. As a bi-partisan, public-private partnership, the Council plays the unique role of framing the issue of workforce development within the larger context of economic development thus in-



*"We are
obliterating the
mistakes of welfare
as they have
existed for decades.
Welfare in
Massachusetts will
now be oriented
around work and
parental
responsibility."*

Governor William Weld

viting the private sector to take an active role in the policy discussion. As a result of this strong private sector voice, the Council will play a key role in advising the Governor on strategies to secure broad-based private sector participation in the hiring of welfare recipients. In its role as the coordinator of state service delivery, the Council holds the responsibility of ensuring that all applicable workforce development funds are being maximized to support the goals of this effort. In addition, the Council shall advise the Governor on the implications of the state budgeting process on welfare-to-work and recommend how state and federal resources, including the potential block grant funds, should be utilized to transition former recipients into the workforce.

With the success of the Welfare-to-Work initiative ultimately lying within the local communities of Massachusetts, the sixteen Regional Employment Boards have been asked to serve as the primary local information brokers, catalysts and conveners of the business community around this issue. The Regional Employment Boards, in conjunction with the state Department of Transitional Assistance and the state Department of Employment and Training, are now aggressively enlisting the support and involvement of local employer communities in providing job opportunities to welfare clients. They are also providing the MassJobs Council with critical information concerning the availability and types of jobs being obtained by former welfare clients, the critical emerging industry sectors in which these jobs exist, as well as identifying the community employment initiatives that are underway for those individuals who can not find employment.

Re-inventing Massachusetts' welfare system will be a major challenge. The former welfare program frequently fostered a multi-generational link to a system that provided income maintenance, not a pathway to individual economic self-sufficiency. Massachusetts' reform efforts, therefore, must change the institution of welfare to a program that strengthens Massachusetts families.

To fully bring about the changes needed, an

OBJECTIVES OF WELFARE-TO-WORK

- Reorder the priorities of the welfare system from entitlement to empowerment.
- Ensure all able-bodied parents receiving welfare assistance support their families by becoming productive members of the workforce.
- Break the cycle of welfare dependency, and assist families in achieving self-sufficiency and personal independence.
- Actively and aggressively promote welfare clients as a viable source of a productive workforce to Massachusetts employers.



The sweeping welfare reform law signed by Governor Weld specifically directs the MassJobs Council to develop a strategic plan for key employment-related components of the legislation.

enabling Welfare-to-Work strategy must fully integrate the welfare program into Massachusetts' comprehensive education and workforce development system. However, the Council fully affirms that the threshold step in this process is for recipients to have a paying job that places responsibility and resources directly in their own hands. The MassJobs Council is committed to working with our partners on the Regional Employment Boards, state and local service providers, the state legislature, and private sector employers to bring about these much needed changes.

KEY WELFARE-TO-WORK FACTS

- The Employment Service estimates that 4,000 to 5,000 jobs requiring little or no skills are available at any given time through its job listings. Massachusetts is also expected to generate 100,000 new jobs over the next two years.
- Over 1,000,000 new hires take place on an annual basis in Massachusetts.
- Nearly 60% of Massachusetts's single parents work, in contrast only 8% of AFDC heads of households work.
- More than two-thirds of the families receiving AFDC remain on public assistance eight years or more.
- According to the US House Committee on Ways and Means, 58% of the women raised in a welfare household went on to head a welfare household.

REGIONAL EMPLOYMENT BOARDS:

PUTTING THE VISION TO WORK

The Commonwealth's Regional Employment Boards were first created in 1988 when Massachusetts passed legislation that expanded the scope of the federally created Private Industry Councils. The local boards were given purview over all job-related education, training and employment services in each of the sixteen regions. Over the last four years, the Council has been working to provide the tools that will allow the Regional Employment Boards to bring about the fundamental change to the workforce development system that the MassJobs Council envisions.

The major component for bringing about change to the state's workforce development system is the leadership of the private sector in the local decision making process. The state's sixteen Regional Employment Boards are now playing active roles in their communities as the local convener, catalyst and information broker in the area of workforce development. Regional Employment Boards have become the leaders in their respective communities in forging partnerships to implement the three priorities — School-to-Work, Career Centers and Welfare-to-Work — that the Council has embraced as the way to bring fundamental change to Massachusetts..

SCHOOL-TO-WORK

School-to-Work in Massachusetts provides a mechanism in which the business community is intimately connected to the education of its future workforce and reinforces the skill sets that the Commonwealth's educational institutions are teaching today's students. The Regional Employment Boards are the important link in the system. They are involved in evaluating, approving and providing policy guidance to the 34 local partnerships that now exist across the state.

The Regional Employment Boards are focusing on the needs of their local employer community. They are also working to ensure that the business community is engaged in the School-to-Work system so that current and future students will have a curriculum that integrates work-based learning with academic learning.

"Regional Employment Boards have become the leaders in their respective communities in forging partnerships to implement the three priorities — School-to-Work, Career Centers and Welfare-to-Work — that the Council has embraced as the way to bring fundamental change to Massachusetts.."

CAREER CENTERS

Two of the key factors in Massachusetts being awarded a federal grant to create a competitive career center system was the strength of the Regional Employment Boards and their role in chartering local center operators. Nine of the state's sixteen boards competed to become a first year implementer of these centers. Four local boards were chosen as first year implementers: Boston, Hampden County, Metro North and Berkshire County. These four boards are working aggressively to select career center operators that will bring the highest standard of customer satisfaction to their regions.

The Regional Employment Boards are establishing local policy which will ensure that each career center takes into account their region's unique economic, geographic, and labor market needs. The MassJobs Council is pleased that the employer community has embraced the career center system so enthusiastically. Only with the active participation of the private sector will the Regional Employment Boards be able to deliver a career center system that is universal, easy to use and administered locally.

WELFARE-TO-WORK

When Governor Weld signed into law the nation's most sweeping welfare reform program, it was only natural that the Commonwealth enlist the Regional Employment Boards for a leadership role. The Regional Employment Boards will educate the employer community about the goals of the Welfare-to-Work program, the benefits that communities will realize from the program and the economic opportunities that are available to the private sector.

The Regional Employment Boards will ensure that service delivery mechanisms to welfare clients are delivered in an integrated, coordinated and high quality manner. They will develop strategic plans for the Full Employment Program that are representative of each region's unique economy as well as Community Service plans to meet the needs of those who are unable to find paid employment.

ECONOMIC DEVELOPMENT

The MassJobs Council and the Regional Employment Boards have been working with the Massachusetts Office of Business Development and their seven regional one-stop business offices to connect workforce development with economic development initiatives in the Commonwealth. Through this partnership, the Regional Employment Boards have been involved in brokering incumbent worker training projects with companies throughout the state. This commitment to work closely with companies in identifying their training needs is a vital link in the process of transforming the workforce development system to meet the needs of employers. Firms such as Martin Marietta in Pittsfield, Springboard Technology in Springfield, and Bull Electronics in Boston are involved in advancing the skills of its workforce to remain responsive to an internationally competitive marketplace.

The Regional Employment Boards have also been working to identify the specific needs of various industry clusters in the Commonwealth. In Fiscal Year 1994, they funded industry cluster projects in the biotechnology, machining/metalworking, plastics, telecommunications, environmental and allied health industries. During Fiscal Year 1995, the three western Massachusetts Regional Employment Boards joined together to support the Western Massachusetts Software Association. Through the work of the industry cluster initiative and the financial support provided to companies through incumbent worker training grants, the Regional Employment Boards are forging bonds between the workforce development system and other Commonwealth economic development efforts. This pivotal link places Massachusetts in a strong position as it continues to build the most competitive workforce in the nation.



In the past fiscal year, the MassJobs Council invested \$875,000 in the Commonwealth's sixteen Regional Employment Boards.

REGIONAL EMPLOYMENT BOARD CHAIRS

Berkshire Regional Employment Board

Nancy A. Lyon, Esq.
Cain, Hibbard, Myers and Cook
Pittsfield

- Information Technology
- Health Care
- Plastics
- Paper Products
- Tourism

Boston Regional Employment Board

Ferdinand Colloredo-Mansfeld
Cabot Partners
Boston

- Biotechnology
- Health Care
- Environmental Services
- Hospitals
- Financial Services

Bristol County Regional Employment Board

Stewart Washburn
Business Lending Consultant
Fall River

- Information Technology
- Health Care
- Environmental Services
- Marine Sciences & Technology
- Hospitals

Brockton Regional Employment Board

Virginia Burke
Chair
Greater Brockton Regional Employment Board

- Environmental Services
- Financial Services
- Wholesale Trade

Franklin/Hampshire Regional Employment Board

Michael Derosé
Vice President, Human Resources
Franklin Medical Center
Greenfield

- Environmental Services
- Tourism
- Wholesale Trade
- Agriculture

Hampden County Regional Employment Board

Benjamin Jones
Chairman (Retired)
Monarch Capital
Springfield

- Environmental Services
- Tourism
- Wholesale Trade



Lower Merrimack Valley Regional Employment Board

Leonard Wilson
President
First Essex Bank
Lawrence

- Information Technology
- Biotechnology
- Environmental Services
- Machining/Metalworking
- Plastics
- Textiles/Apparel
- Tourism

Metro North Regional Employment Board

Frederick Ritzau
Vice President
United Electric Controls
Watertown

- Software
- Information Technology
- Biotechnology
- Health Care
- Environmental Services
- Hospitals
- Financial Services

Metro South/West Regional Employment Board

C. Lynn Wickwire
Vice President
U.S. Boston Capital Corporation
Lincoln

- Information Technology
- Biotechnology
- Environmental Services

New Bedford Regional Employment Board

Charles La Pier
Human Resources Manager
Polaroid Corporation
New Bedford

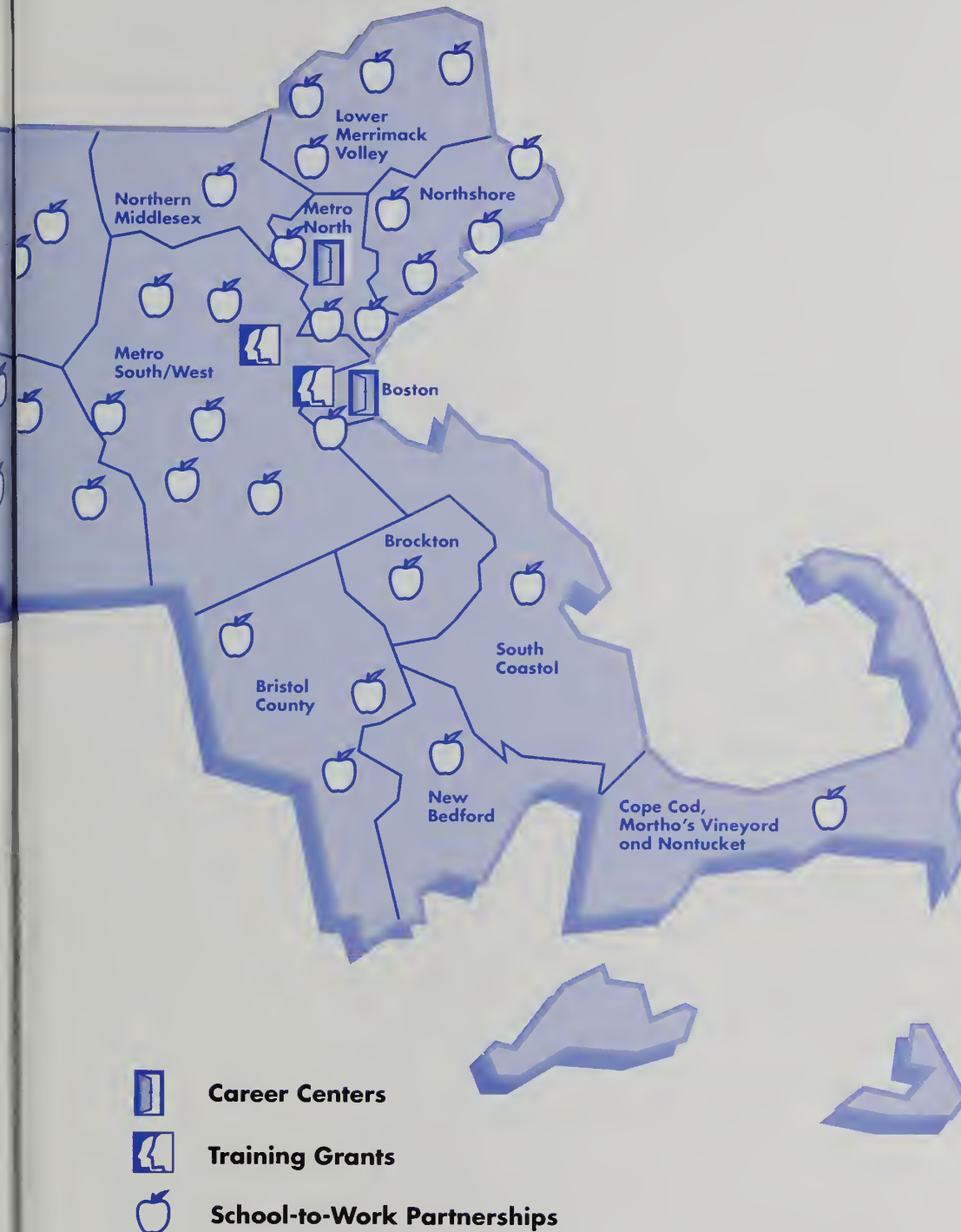
- Textiles/Apparel
- Hospitals

Cape and Islands Regional Employment Board

Henri Rauschenbach
Cape Cod Sea Camps
Brewster

- Information Technology
- Health Care
- Environmental Services
- Marine Sciences & Technology
- Tourism

AND LOCALLY IDENTIFIED INDUSTRIES



Northshore Regional Employment Board

Robert Donelan
Sr. Vice President
Eastern Bank
Lynn

- Information Technology
- Environmental Services
- Marine Sciences & Technology
- Hospitals
- Wholesale Trade

Northern Middlesex Regional Employment Board

Bonnie Posnak
Director of Personnel
Ideal Tape, Inc.
Lowell

- Biotechnology
- Health Care
- Environmental Services
- Financial Services

North Central Regional Employment Board

Charles Bowles
Chairperson/CEO
GFA Credit Union
Gardner

- Machining/Metalworking
- Plastics
- Printing & Publishing
- Paper Products
- Health Care

South Coastal Regional Employment Board

Terry Fancher
General Manager
South Shore Chamber of Commerce
Quincy

- Biotechnology
- Health Care
- Environmental Services
- Financial Services

Southern Worcester Regional Employment Board

Katherine Hessel
Vice President, Human Resources
Paul Revere Insurance Company
Worcester

- Biotechnology
- Health Care
- Advanced Materials
- Machining/Metalworking
- Plastics

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Springfield Technical Community College
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Federal Reserve Bank of Boston
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City of New Bedford

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South Middlesex Vocational Technical High School
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Yunits Engineering Co
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Staff Assistant

Bernadette Rucker
Executive Assistant

A LETTER FROM THE EXECUTIVE DIRECTOR



"The public system must be responsive to the needs of the citizens it seeks to serve."

Fiscal Year 1995 was the year when we began to realize our vision for a more efficient, more innovative, more responsive, and more accountable workforce development system.

Massachusetts has taken a leading role nationally in addressing the changes needed head-on. The \$37.5 million School-to-Work grant and the \$11.6 million Career Center grant are the engines that can propel this ship into the strongest position competitively, both in terms of the job related skills of our high school graduates as well as an infrastructure that will enable our citizens and workers to avail themselves of life long learning opportunities. The primary theme of both of these initiatives is a focus on the needs of the customer - a recognition that skills must be consistent with the needs of the marketplace if both the citizens and the employers are to be competitive. There is also a recognition that there is an inextricable link between the public education system and the job related education, training and employment services systems. One part of this continuum cannot succeed apart from the other. To think otherwise is to perpetuate a flawed system.

Needless to say, this change represents a paradigm shift, a whole new approach to addressing needs. The public system must be responsive to the needs of the citizens it seeks to serve.

Massachusetts, through the MassJobs Council and the Regional Employment Boards, has taken the view, more strongly than any other state, that one of the keys to success is to involve the private sector in partnership with the public sector determine the role each can play in meeting the needs of employers and individuals. This objective was part of the 1993 Education Reform Act and it carries over even more strongly in the School-to-Work initiative being undertaken jointly by the MassJobs Council and the Massachusetts Board of Education. We must better prepare the majority of our high school graduates who go directly to work with the tools that they will need to enjoy economic self-sufficiency. If we do not do this successfully, there is not enough capability or resources to provide a second-chance system for these graduates.

A corollary to the need for an educational partnership is the need for an even stronger partnership in the training, re-training and employment services area. Over 90% of the employers in the Commonwealth have less than 100 employees. These employers require a system that can respond to their needs for maintaining a skilled workforce so that they can remain competitive and prosperous. This need is greater than ever and employers seek a system of service providers that is reliable, responsive and of high quality. The public system envisioned by the MassJobs Council is such a system and the centerpiece of this system will be the new competitive career centers. The private sector, through the Regional Employment Boards, is being placed in the driver's seat to ensure that this new system is capable of meeting their needs. If it does not, our model ensures that the REBs can make changes in a timely way. Such an approach is unprecedented and therefore must be implemented with good communication, effective collaboration and clear accountability. This effort will also be facilitated by changes currently being deliberated in Washington.

The work of this Council has provided unprecedented opportunities to be part of trend setting programs with people who are vitally interested in seeing that the public system is playing the necessary and appropriate role in a high quality way.

I appreciate the commitment and support of all Council members, the Regional Employment Boards and the many state agencies with whom we work. The challenges and opportunities are exciting and energizing.

A handwritten signature in blue ink, reading "Peter T. Koch".

Peter T. Koch
Executive Director

A LOOK TOWARD THE FUTURE

The challenge for the MassJobs Council has never been greater. Our aggressive implementation schedule combined with the enthusiastic support of the Regional Employment Boards will leave us with plenty to reflect upon twelve months from now.

It is important for the Council to look to the future and focus on more far-reaching goals. The issues to be dealt with include:

- reorganizing the current state level agencies and moving more of the decision making from the state to the regional/local level.
- addressing new and creative ways of financing the system, leveraging public and private funds in a way that maximizes the impact on company's performance and people's lives, and minimizing unnecessary bureaucracy and redundancy.
- establishing measurements of outcomes through customer satisfaction and continuous improvement.
- establishing a new paradigm for public sector work with appropriate incentives and rewards for high quality performance.
- enlist and engage greater involvement of private sector executives in building this new level of partnership, in such a way that is meaningful and not just a community service.

If the public sector is to have more than a marginalized role, these issues will need to be addressed, new paradigms will need to be established and changes need to be implemented.

We believe the people of Massachusetts deserve the best available education and job training system. We believe that a reformed system will be both competitive and customer-driven. We believe in a regional approach to reform. We believe this approach is creating optimism and hope for the future. We believe in maintaining an aggressive schedule for implementation . . . because, we believe there is no alternative.

"We believe the people of Massachusetts deserve the best available education and job training system."





Acknowledgments

This report was prepared by the MassJabs Council Staff. Any listing of acknowledgments could not do justice to the many Regional Employment Board volunteers and staff, as well as the state agencies, who have focused their time and talents toward the goal of creating a more responsive and effective workforce development system for the Commonwealth. To them we express our greatest appreciation.

Peter T. Kach
Executive Director

Special Thanks: Sanders/Tikkanen Design

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MassJobs Council

Annual Report

to the

Governor

and the

Legislature

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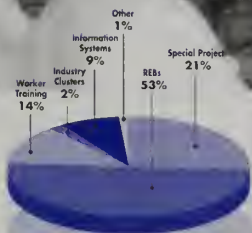
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MASSJOBS Council

The Honorable William F. Weld, Governor
Commonwealth of Massachusetts
State House, Room 360
Boston, Massachusetts 02133



Argeo Paul Cellucci



Kija Kim

Dear Governor Weld,

We are pleased to submit this report of the MassJobs Council for Fiscal Year 1996, as required by Chapter 145 (Section 46) of the Acts of 1991. Copies of this report are also being submitted to the President of the Senate and the Speaker of the House of Representatives.

This past year was the culmination of the work that the Council has been leading over the past four and a half years. By opening the first One-Stop Career Centers, bolstering the School-to-Work partnerships, and codifying the Welfare-to-Work initiative, Massachusetts has taken the first bold steps toward transforming the disparate and fragmented job related education, training and employment services into an integrated system of workforce development. The work is by no means finished, but progress has been made to ensure that we will achieve the ultimate goal of an integrated, customer driven system.

While this Council is not a state agency and does not operate any programs, it has taken the lead in securing two significant federal grants and has played a unique role, nationally, in welfare reform with the Welfare-to-Work initiative. This Council has also engaged the most significant number of private sector executives in the workforce development effort of any state in the nation—on the Regional Employment Boards, as participants in the School-to-Work initiative, as overseers of the One-Stop Career Center implementation and on a key employer advisory committee to the Welfare-to-Work initiative. We are effectively building a series of public-private partnerships.

We have taken the step of decentralizing decision making to the Regional Employment Boards in two major areas; in the chartering of One-Stop Career Center operators and in approving and overseeing School-to-Work

Mission Statement

plans for local partnerships. This transfer of authority has created greater involvement from the private sector through these local boards. The lead throughout this process has been taken by private sector executives who have experience with large system change in their own organizations.

The transformation that has begun is designed to provide better services to anyone needing or wanting them. Due to greater global competition it is now necessary for employers to find more skilled workers. While this need is present for all employers, we are particularly sensitive to meeting the needs of the small and medium sized employers.

During the coming year we will be focusing on measurements and accountability. This is the very basis of a customer-driven system.

This has been an eventful year and we express our appreciation to the MassJobs Council members and staff who gave so generously of their time and talents. We also want to acknowledge and thank the many state agencies, legislators, and their staffs who were critical to the Council meeting its goals.

We appreciate the opportunity you have provided us to help lead this effort for the benefit of all of our citizens of Massachusetts and setting the trend for the nation.

Sincerely yours:



Argeo Paul Cellucci
Lieutenant Governor
Commonwealth of Massachusetts
Chair, MassJobs Council



Kija Kim
President
Harvard Design and Mapping
Co-Chair, MassJobs Council

The Commonwealth's Workforce development System enables Massachusetts' residents to acquire the information and skills necessary to maximize their economic self-sufficiency, and provides Massachusetts' employers with the workforce they require to effectively compete in the global economy.

The MassJobs Council will foster the creation of a market-based system that:

- links workforce development to economic development;
- mobilizes the private sector; and
- integrates the service delivery system

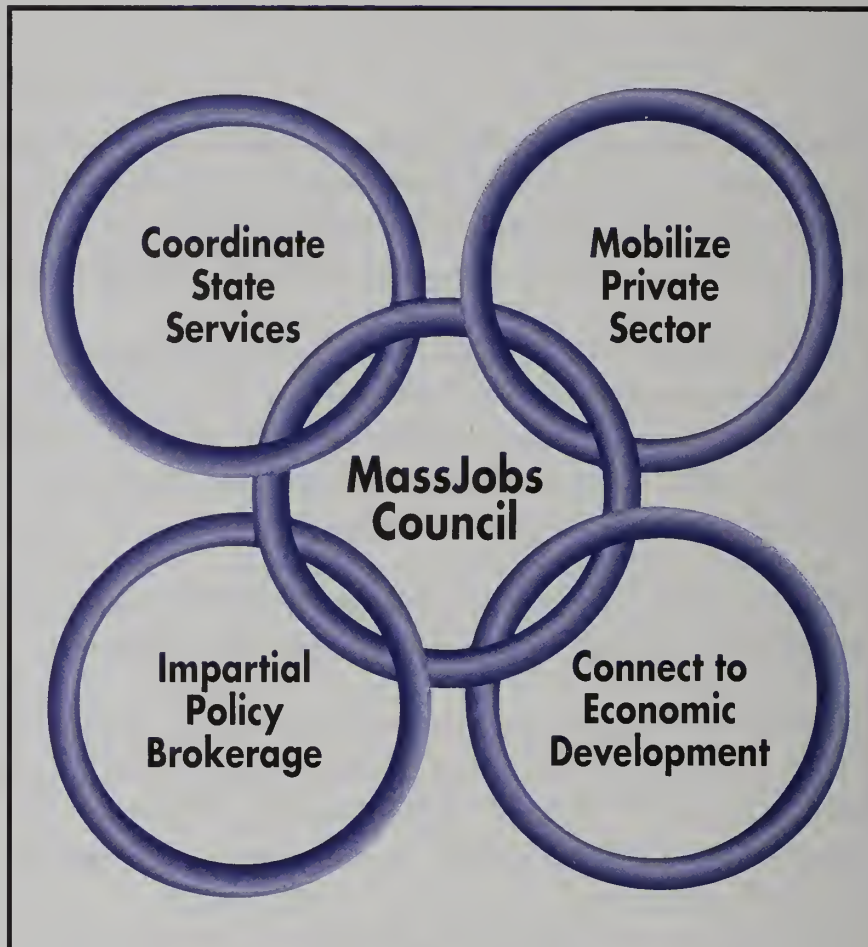
The MassJobs Council:

A Brief Retrospective

The MassJobs Council serves as the Governor's principle advisory board for workforce development policy. Over the past five years, it has identified—in size and scope—the amount of job-related education, training and employment services afforded by the Commonwealth. It has established a vision for a new market-driven workforce development system that is responsive and effective and it has secured two major federal grants to subsidize the transformation to a network of One-Stop Career Centers and School-to-Work Local Partnerships.

At the same time the MassJobs Council has begun the transfer of administration for these initiatives from the state level to the local/regional level. The Council believes that the long-term viability of the public system rests with its ability to be customer-driven, responsive and of high quality. Further, the Council intends that the services be universally available to all customers—employers and individuals—reflecting the reality of the globally-competitive economy and the need for individuals to assume more responsibility for their own skills and employability.

The primary delivery system for implementing the policies of the MassJobs Council is the 16 Regional Employment Boards. The private sector members of these boards, in partnership with the local state agency personnel and community-based organizations, have placed the Commonwealth in a leadership position in addressing the education and training needs of our citizens.



As the Governor's principle advisory board on workforce development, the MassJobs Council serves to: link workforce development with economic development, mobilize the private sector, coordinate the state delivery system, and act as an impartial policy broker.

The Council Today

The MassJobs Council and its staff have just completed a year which was characterized by a great degree of turbulence, which is a normal part of a large systems change. In last year's report, we stated "many in the field of workforce development view the new federalism emerging from Congress as a serious threat to the very existence of the workforce development system . . . the Council believes that it provides the opportunity to go beyond our historical assumptions and challenge ourselves to re-examine the core business that we are in."

With the launching of our three major transforming initiatives, the Council is now once again poised to "push the envelope" by focusing on the measurement and accountability of the systems and identifying methods to effectively monitor short and long term outcomes. An integral component of this effort will be the development and deployment of a comprehensive information system. The investments in technology that the Council has made and continues to make will enable a whole new level of data collection, analysis, and information dissemination that will inform better decisions on the part of policy makers, service deliverers and customers.

Each step we take seeks to improve the value received by the customer and continuously improve the services that can be accessed by any citizen and employer in the Commonwealth. Clearly, this work will be made easier with the enactment of federal legislation that collapses the many programs with which we must operate and allows more flexibility within the state and local delivery system. Until this happens, much time will be spent integrating funding sources and working within the rules

and regulations which govern the programs today.

The Council will focus on ways to overcome the obstacles and continue to build on the work done over the past five years. The objective of the MassJobs Council is still to achieve a workforce development system which is:

- Customer driven
- Understandable and easy to use
- Focused on outcomes
- Administered locally but guided centrally

Transforming the Massachusetts Workforce Development System



The MassJobs Council has mapped out the road to be traveled to achieve its goal of creating a well-coordinated, market-driven workforce development system.

One-Stop Career Centers:

A Better Way to Work

"They introduce an important element of competition into a moribund system."

- The Boston Globe

In the past year, Massachusetts began to deliver on the promise of a new customer-friendly, employment and training system for the Commonwealth. With the opening of the first One-Stop Career Centers, the guiding principles of the MassJobs Council have been put to the test. The market-based, locally-administered One-Stop Career Centers are designed to make the Massachusetts workforce development system more efficient, more innovative, more responsive, and more accountable to every business or individual in need of education, employment or job training.



By the end of the fiscal year 1996, four One-Stop Career Centers had served over 6,300 individuals and 400 employers. Customer response to the new system has been remarkable. Here are just a few examples:

- A human resources supervisor from MCI Communications told an AP reporter, *"I've worked with agencies from around the country and on a scale of 1-10, this place is a 10 plus."*
- A career center customer in Hampden County told the same reporter, *"The resources here are amazing."*
- A product manager from First Notice System, Inc. told a Boston Globe business columnist, *"We couldn't have reached our goal (of hiring 200 employees) without them."*
- A job-seeker from Boston told the same Globe columnist, *"It's pleasant, professional, a nice place to be. Very diverse."*

Over half of the One-Stop Career Center customer base is comprised of minorities. The personnel make-up of each career center represents a similar mix. At one career center in Boston, for instance, the staff is over 60% minority and can speak a total 18 languages.

In the business community, anticipation of a statewide career center system is running high. A survey of 200

Massachusetts businesses, revealed that 82% of the owners and personnel managers surveyed would be likely to use a new One-Stop Career Center. By contrast, these same business people expressed widespread disappointment with the existing employment system.

Only 3% said they would be likely to use any of the employment programs currently offered by public agencies in Massachusetts.



CareerPoint

In the past, when Congress or the Legislature appropriated money to assist employers or individuals, those funds embark on a convoluted journey through a confusing maze of federal departments, state agencies and local offices. The concept for One-Stop Career Centers came about as a way to reinvent the current, incoherent workforce development system into one that is easy to use and understandable to its customers. The new system combines employment and training services into a well-coordinated, statewide network of career centers.

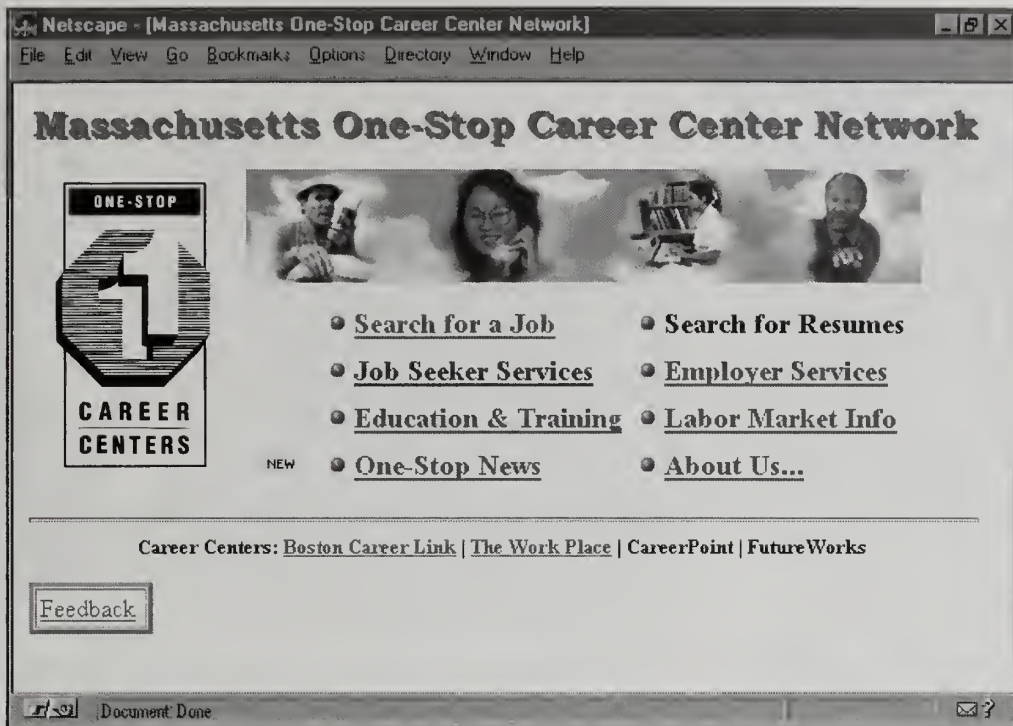
The new system gives customers the power to choose who will get their business and who will not. Every One-Stop Career Center will compete for business. Funding follows the customer. Centers that perform well and attract customers will be rewarded. Centers that do not, will not.

Organizations compete to become operators of One-Stop Career Centers. Operators may be any concern; from a public agency to a private business, or some combination in between. Regional Employment Boards—responsible for the local workforce development sys-

FutureWorks

tem—select operators through competitive bids. Comprised of business, government, education, labor, and community leaders, the REB monitors the performance of career center operators through customer feedback. If customers indicate that an operator is not performing sufficiently, a REB may choose to revoke the license to operate and select another group to open a One-Stop Career Center in its place.





The One-Stop Career Center Network connects centers and customers to the Internet. It offers access to job banks, talent banks, labor market information, education and training listings, job tips, career news, and e-mail. (www.masscareers.state.ma.us)

One-Stop Career Centers are chartered to provide customers with universal access to publicly-funded core services, emphasizing job screening, job matching, training, and job placement. Career centers also offer fee-based services which are more intensive and customized to the needs of an individual or business. Fees may be paid by individuals, businesses, unions, or by federal, state, or philanthropic sources. Operators are encouraged to be entrepreneurial and to create a variety of intensive

fee-based services that meet the customer needs and build on market opportunities.

**BOSTON
career
LINK**

Performance and quality standards have been established which will demonstrate and measure the levels of customer satisfaction being achieved at each center. Performance reports will be made available to current and potential career centers customers, local, state and federal funding sources as well as the general public.

One-Stop Career Centers are riding the wave of information technology currently sweeping the globe. Centers are connected to each other and the Internet through a secure data network. Customers can access this network through public terminals in any career center. A wide range of on-line employment services are available to customers through this network. Any individual or organization with a computer and a modem is able to browse the same information at the One-Stop Career Center World Wide Web site from the com-

fort of his or her home or office. This connectivity not only expands the level of communication, it creates a virtual marketplace for the exchange of education, employment and job-training services. By designing this state-of-the-art information system, One-Stop Career Centers give customers the opportunity to utilize the technology of tomorrow today.

Organizations selected to operate One-Stop Career Centers include:

- City of Boston/EDIC
- Dimmock Community Health Center
- Drake, Beam, Morin
- The Employment and Training Institute, Inc.
- Employment Resources, Inc.
- The Holyoke Chamber of Commerce
- Holyoke Community College
- Jewish Vocational Service
- Massachusetts Department of Employment and Training
- Middlesex Community College
- Morgan Memorial Goodwill Industries
- Sullivan & Cogliano
- Women's Educational and Industrial Union

School-to-Work:

Learning from Experience

"School-to-Work training prepares students for a life beyond the classroom. It gives young people the practical skills and hands-on experience they need to be productive in the workforce and on the job"

—Lieutenant Governor Paul Cellucci

In 1993, the Commonwealth of Massachusetts passed the Education Reform Act. The School-to-work initiative, a joint effort of the MassJobs Council and the Board of Education, is designed as a catalyst for education reform.

In 1994, the School-to-Work Opportunities Act was signed into law to help ensure that all students will be able to make the transition from school to work with the objective that they will be able to make informed choices about their future careers. Students will be better equipped with the skills, experience, and knowledge to compete in today's rapidly changing economy.

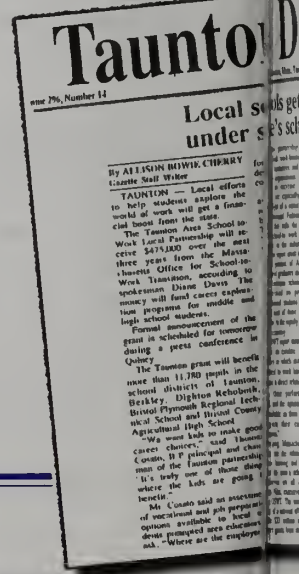
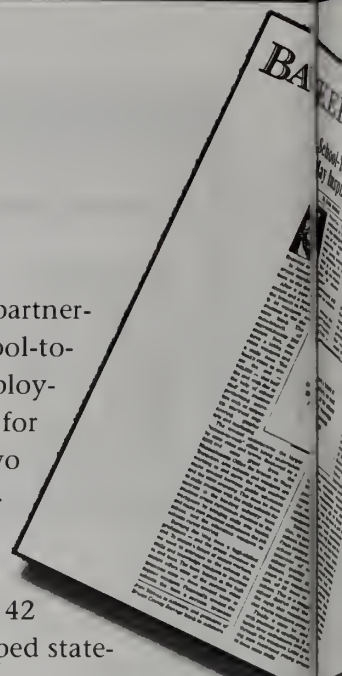
From 1994-95, Regional Employment Boards across Massachusetts developed strategic School-to-Work plans to guide their regions over the next five years. The Regional Employment Boards also played a key role in

facilitating the development of local partnerships that will implement the School-to-Work initiative. Each Regional Employment Board serves as the key agent for change. At the start of the process two years ago, key industries were identified in each region and the local board developed economic strategies to bolster these industries. A total of 42 Local Partnerships were then developed state-wide to implement the School-to-Work vision.

In September 1995, partnerships bid competitively to become the first to begin the implementation. In this first round, 12 Local Partnerships were awarded more than \$10 million. In March 1996, another 13 Local Partnerships received a total of \$7 million.

The remaining Local Partnerships received \$50,000 for planning activities while still in the develop-

mental process. Full implementation funding is expected to reach all 42 Local partnerships by December 1996. Currently 75% of all Massachusetts students are covered under a School-to-Work partnership.



Components of Our School-to-Work System

Employer Leadership

School-to-Work seeks to move industry leaders from their historic role as patron, to a more contemporary role as partner. The process provides much greater opportunities for employer involvement in curriculum development and skill-setting in the classroom to provide more relevance to education. This, in turn, drives change in the schools to meet the high skills necessary in the workplace today. The business community, through its roles in mentoring, training, and goal setting, is a cornerstone of the program, and School-to-Work efforts would not succeed without this important input. The benefits to employers are multiple, including:

- Hiring from a skilled pool of workers;
- Developing a school's skills standards to meet employer needs;
- Playing a role in shaping the future workforce;
- Reducing the effort required to locate qualified employees;
- Reducing the time and money spent on in-house training.

All Youth:

All young people in Massachusetts, whether they are enrolled in comprehensive high schools, vocational education schools, alternative educational programs, students with disabilities, or if they are out of school, will have the opportunities incorporated by the school-based, work-based, and connecting activities defined by the Act.

School-Based Learning:

The classroom, curriculum, and teaching strategies should reflect actual workplace realities. Students will learn about different industries, occupations, and the working world around them at an early age. A school-to-work system provides: career exploration and counseling, a program of study that meets high academic standards, project based learning activities, opportunities for students to select broad career pathways and career focus preparation.

Work-Based Learning:

Students generally learn more if they see the lesson as relevant to their lives. Classes become more effective when students connect and apply classroom knowledge to workplace tasks. Work-based learning means structured training and mentoring at job sites. It means learning and practicing basic workplace behaviors, getting to know all aspects of a particular industry, achieving a set of job skills mastered at progressively higher levels, and linking those to a chosen career field.

Connecting Activities:

Connecting activities build and maintain bridges between school and work. They match students with employers and establish liaisons that connect schools, employers, parents and students. Connecting activities include linking school-to-work activity to training activity within firms, and linking students with continuing education, additional training programs and appropriate community activities. Connecting activities also include training teachers, mentors and counselors to assist students and provide guidance to students as they make decisions about their education and careers.

ER & TRADESMAN
School-to-Work Programs
Inspire Would-Be Bankers

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paration for work

NORTH SHORE
SUNDAY
March 10, 1996

ls, firms work on job training

Daily Gazette
78 pages \$9 daily, \$2.95 a week
Boston, Mass., Tuesday, July 18, 1995

ls get big financial boost
's school-to-work program

partnership was
A week found us
interviews and other
investigations
increased career
opportunities
of a recent report
found that the United
States is losing its
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partners of labor and education.
Prompted in part by the
Education Reform Act of 1993,
school systems across Massa-
chusetts are adopting
performance-based curricula in
which a student proves he has
mastered the underlying skills of
a particular project in work set-
tings or hands-on projects.
Current exploration, job set-
ting, tech prep and other
school-to-work programs are be-
ing provided as a coordinated
continuum and will be provided
in conjunction with ongoing
classroom studies. No longer are
math, English and biology seen
as distinct academic islands
without bridges.
"Ed reform is beginning to
use down distinctions between
(academic) disciplines," Mr.
Niles said. "This grant asks
schools to draw (career and
academic program) together to
teach a single system."
Mr. Niles and his colleagues
believe simultaneous teaching of
job skills and academics need
not lower academic standards. A
study of the OSWT grant is
showing that local school-to-work
programs incorporate quality control
for academics, teacher and em-
ployer training and work-related
experience.
"The Mass Ed Reform act
talks about raising high academic
standards and those high stan-

Welfare-to-Work:

The Commonwealth's welfare-to-work initiative began in earnest this year as major reforms were undertaken in nearly every aspect of the Aid to Families with Dependent Children (AFDC) program. These reforms—including work requirements and employer subsidies—are designed to reorder the priority of the welfare system from entitlement to self-empowerment.

The changes instituted to the welfare system in Massachusetts are sweeping and in most cases, unprecedented. Long before many states began to wrestle with the ongoing failures of the welfare system, Massachusetts took steps to prevent the welfare system from further entrapping those individuals and families who needed temporary relief. The largest and most fundamental of these reforms is the mandate that all able-bodied, non-exempt individuals find employment or community service as a condition of collecting AFDC benefits.

Underlying Massachusetts' welfare-to-work strategy is the belief that the best social program is a paying job and that it is private economic activity, in conjunction with public assistance where necessary, that can bring real prosperity to our citizens and communities. As the Governor's principle advisory board on workforce development issues, the MassJobs Council has been asked to play a leading role in educating the private sector about the changes to the welfare program and the intent and goals of the specific reforms. The MassJobs Council is uniquely positioned to play this role because, as a public-private partnership. The MJC can integrate the voice of the Commonwealth's employees into the policies and program structure of the new welfare system.

This year the MassJobs Council convened a Governor's Advisory Committee on the issue of welfare and employment. This committee is comprised solely of private sector employers who recognize the integral role that a skilled workforce plays in the Commonwealth's future economic growth. Importantly, these employers also see the significant im-

plications of poverty in their communities. They are committed to working in a public-private partnership to assist families in becoming economically self-sufficient while also reducing the costs of doing business in Massachusetts.

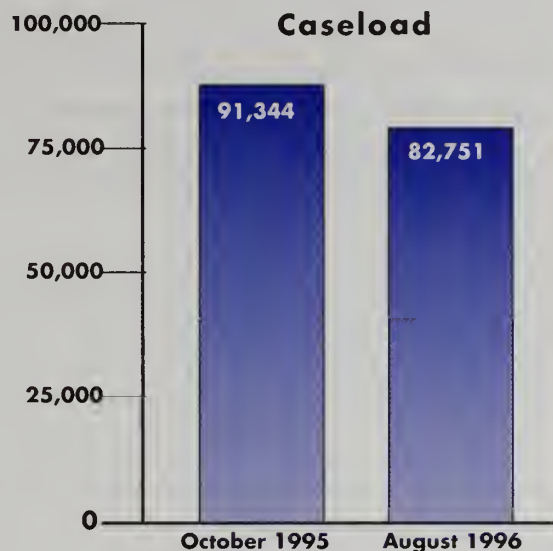
Key input received from the committee included:

- the myths surrounding the welfare system run deep and exist in flow in both directions. Not only do employers hold misconceptions about individuals collecting welfare, but many recipients also hold misconceptions about employers and the workplace. Education is needed in both areas if welfare-to-work is to succeed;
- a key role for state government is the provision of short term pre-employment orientation to recipients.
- government's response to employers must be locally driven, non-bureaucratic, and less paper-oriented. Employers are generally willing to help but government must serve as an ally, not an obstacle, in the transformation process.

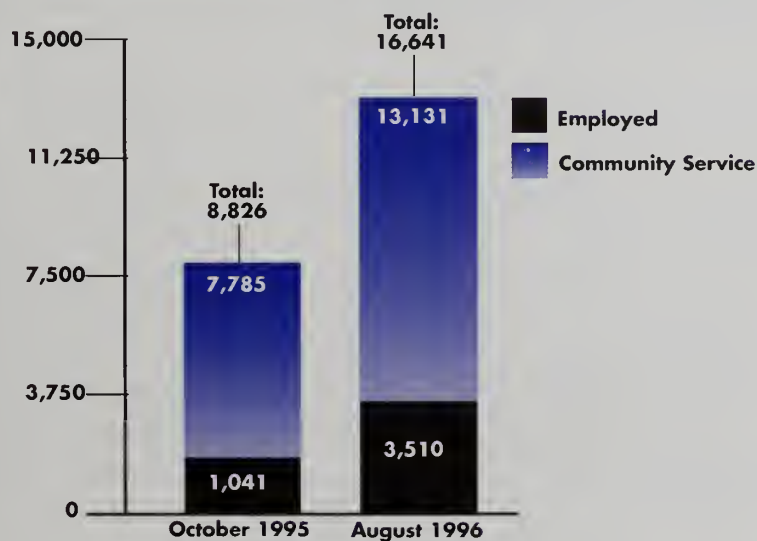
Perhaps most importantly, this group affirmed the belief that the Commonwealth is generating enough jobs to absorb these new entrants to the workforce and that employers are willing to hire individuals who are welfare recipients. They expressed their confidence that if government is responsive to employers and is flexible in its approach, welfare reform can succeed at the highest levels in Massachusetts.

The second key instrument the MassJobs Council is using to bring about these reforms is the work of the sixteen Regional Employment Boards. These boards are serving as a primary broker of information and catalyst for employer activity at the local level. During the past year each REB convened its local representatives of the Department of Transitional Assistance, the Department of Employment and Training,

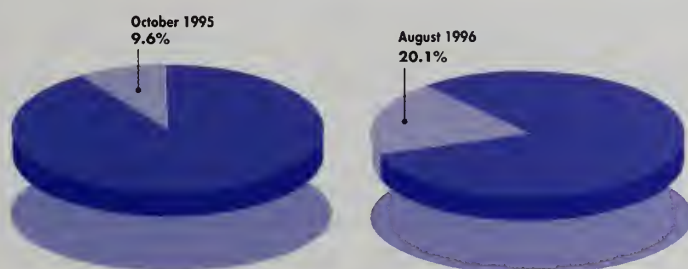
Increased Work Activity after Welfare Reform Implementation



Employed/Community Service



Total percent of Caseload



and One-Stop Career Centers to draft a strategic plan for the implementation of the Full Employment Program (FEP) component of Welfare reform. FEP offers employers wage incentives to hire, train, and mentor welfare recipients. This program is being tested on a volunteer basis to better ascertain customer interest as well as the types of employers that are most likely to utilize this opportunity.

Through the ongoing coordination of state agencies, the work of the Regional Employment Boards, and the support and assistance of the business community, the MassJobs Council is confident that Massachusetts can serve as a national leader in developing a welfare system that allows its citizens who are most in need to achieve economic self-sufficiency.

Regional Employment Boards:

The Regional Employment Boards are at the center of the workforce development system in Massachusetts. As the convener of local workforce and economic development interests, the REBs provide leadership, oversight and evaluation of statewide efforts designed to meet the needs of customers

In Fiscal Year 1996, Regional Employment Boards:

- identified employer and worker needs in each region;
- increased the number of employers in partnerships in all programs at all levels;
- selected and chartered the first ever competitive One-Stop Career Centers;
- provided leadership in enrolling employers to provide jobs to AFDC recipients under the Commonwealth's new welfare reform law;
- provided partner assistance for training incumbent workers through matching grants

The strength of the Regional Employment Boards is their objectivity as non-program operators. Today, they

are better positioned to receive private funds for specific needs in their communities, which also provides an opportunity for REBs to be more entrepreneurial. The strong performance of the REBs is what enables state agencies to continue moving decision-making to the local level.

The success of our workforce development efforts to date has been the ability to be responsive to the needs of employers and individuals. The old paradigm is too slow, too cumbersome, is focused on inputs, lacks true accountability to the customer and lacks quality. The new paradigm we have started to build through extensive private sector involvement is:

- defined by customer need;
- accountable for the desired outcomes;
- designed with the highest quality and customer satisfaction as the goal;
- motivated by the need for continuous improvement;

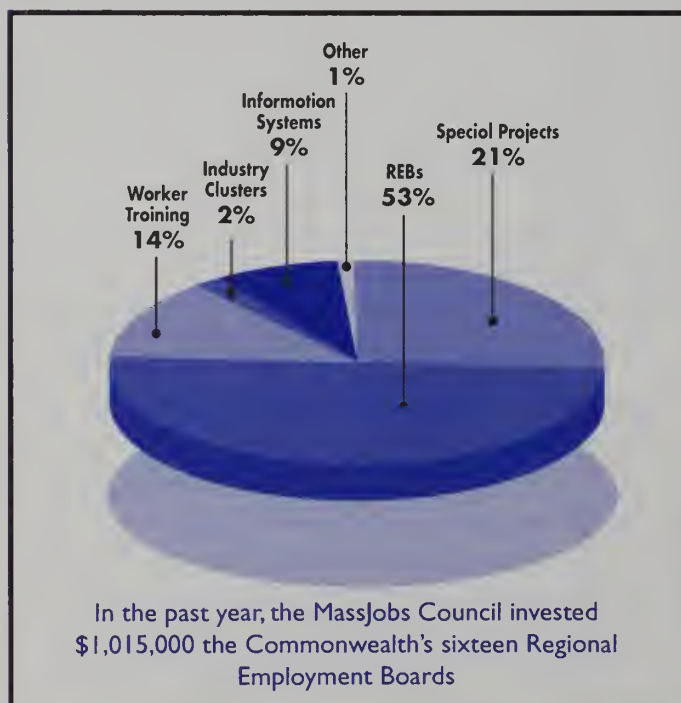
Private Sector Involvement:

Both the private sector and organized labor have made a critical difference in making the paradigm shift. Private sector executives provide majority membership on the Regional Employment Boards and the MassJobs Council subcommittees on School-to-Work, Career Centers, and Welfare-to-Work. The reason they have been willing partners is because they are given local policy-making responsibility and they are able to influence responses of service providers to meet the needs of the employers and individuals.

These various committees have also enabled the REBs to increase the private sector involvement beyond the REB membership. This serves as a training ground for potential REB members and also allows for sharing the work.

Regional Employment Board Association:

Last year, the Regional Employment Boards determined that the REB Association should begin to play a stronger role in assisting REBs by focusing on bet-



ter communication and sharing of best practices. In addition, they have decided to hire a full-time Association Director who will work with the REBs to provide support and coordination that can be centralized. This move will also provide a mechanism for

the REBs to more effectively speak with a collective voice in identifying the support they will need from the state level. This is a significant and appropriate step for the Association to take.

Incumbent Worker Training

During Fiscal 1996, the MassJobs Council and the Regional Employment Boards continued to focus on incumbent worker training—for individuals already employed but potentially at-risk due to a lack of skills now required by their employers.

This need for funding for incumbent workers, particularly in small and medium-sized firms, has been a specific focus of the MassJobs Council since 1992.

There was a recognition that with the advent of more global competition, employers were faced with the need to re-engineer their methods and processes, introduce new technology and redesign jobs. The newly-designed jobs invariably called for high skills. This placed many existing employees at-risk and in need of re-training. Up until 1995, there were no federal funds available for incumbent workers.

Through the efforts of the MassJobs Council and the Industrial Services Program, some federal demonstration funds were made available for incumbent workers.

The Massachusetts Legis-

lature has also supported worker retraining through its appropriations for the Tactical Training Initiative operated by the Department of Employment and Training and by Bay State Skills Corporation through several programs they sponsor. Incumbent worker training funds supplement worker training funds provided by the employers

TACTICAL TRAINING INITIATIVE FOR FISCAL YEAR 1996

COMPANY	REB	GRANT*
U.S.C.I. Div. C. R. Bard	Northern Middlesex	\$56,556
Northeast Recycling Assoc.	Worcester	\$56,555
VOmax	Franklin/Hampshire	\$28,778
Clinical Instruments	So. Worcester	\$20,916
U.S. Tsubaki	Hampden	\$56,555
Adom Engineering	Lower Merrimack	\$16,666
Alphatron Manufacturing	Lower Merrimack	\$43,996
Comet Products, Inc.	Northern Middlesex	\$10,130
Devco Products, Inc.	Metro South/West	\$26,000
Barker Steel Company	Metro North	\$45,000
Modu Form, Inc.	North Central	\$44,444
Lockheed Martin	Berkshire	\$34,000
Rand McNally	Bristol	\$39,500
Deknatel Snowden Pencer	Bristol	\$56,000

INCUMBENT WORKER TRAINING AWARDS

COMPANY	REB	GRANT*
GTE Government Systems Corp.	Metro Southwest	\$4,900,000
Textron Systems Division	Metro North	\$1,700,000
North Shore Medical Center	North Shore	\$403,778
Malden Mills	Lower Merrimac Valley	\$1,000,000
Strategic Skills Program		\$1,400,000

Executive Director's Report

Fiscal Year 1996 has been an exciting year for those of us involved in driving the agenda established by the MassJobs Council. Large system change, particularly in the public sector, is not easy and there is no "play book" for making the changes desired. Change in the public system has a complexity rarely found in the private sector.

Different aspects of change are written about but there has been no research done on how to transform a public system as large or as complex as workforce development. In many respects we are writing the book and hopefully other states can learn from our experiences.

There have been three engines driving the transformation to an integrated workforce development system here in the council. The first has been the School-to-Work initiative. This program started in FY'95 with the planning and partnership selection phases. In FY'96 funds were distributed and the next phase of establishing the various partnerships began. This initiative is an important part of the education reform movement underway in Massachusetts and its success will enable all students to have a better understanding of the relevance of their education and the options that are open to them in ultimately choosing a career, whether they choose to attend a post secondary program or go directly into the workplace.

The second has been the One-Stop Career Center initiative. This project enabled us to take the bold step of moving key decision making to the Regional Employment Boards. The REBs established private sector led Career Center Committees, developed their implementation plans, and established performance standards. They solicited bids from potential center operators, reviewed the many proposals, and finally selected and chartered the new career center operators.

One of the most important elements required for a new workforce development system to serve all citizens and employers effectively is a state-of-the-art information technology system. With the One-Stop Career Center Network, such a system has been developed. All centers are connected to each other and the Internet through a secure data network. A number of public terminals are available to customers at each career center for access to the network. Any person or business with a computer and a modem will be able to browse the One-Stop Career Center Web site from the comfort of their home or office. The system will be full of high quality information regarding jobs, resumes, education and training, and labor market information. To our knowledge, there is nothing in the public sector that approaches the sophistication and capability of this system.



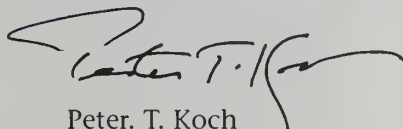
All of this activity being driven by the MJC could not happen without a competent, dedicated staff.

One of the most important elements required for a new workforce development system to serve all citizens and employers effectively is a state-of-the-art information technology system. With the One-Stop Career Center Network, such a system has been developed.

The third initiative in which the MassJobs Council, its staff, and the Regional Employment Boards have been involved is welfare-to-work. This program started effective November 1, 1995 when the federal waiver was received by the Governor. The role that the REBs were asked to play was in the employer development area. They were asked to line up employer support for hiring AFDC recipients who are required under the welfare reform law to go to work. They also assisted in locating public service positions for individuals who were not able to find paid employment. At this writing, the program is gaining momentum and we are optimistic that the majority of those who will be required to find work will find paid employment or a public service position.

All of this activity being driven by the MJC could not happen without a competent, dedicated staff. We have been fortunate to have such a staff but as the work we are doing is in transition, so too is the staff. Steve Hines and Michael Hoyle have both left the staff to pursue advanced degrees. Both of these individuals have served the Council well and while we will miss their contributions, we wish them well in this next phase of their lives.

On a final note, I want to express my appreciation to Kija Kim, the new Co-Chair of the MassJobs Council for her early involvement and commitment to this work. She served as one of the Co-Chairs of the Governor's private sector Welfare-to-Work Advisory Committee as well as the Governor's Minority and Women Owned Business Advisory Committee. She has begun by attending the REB Chairs and Executive Work Committees in May and by involving herself in the issues that lie ahead. I also want to thank Lieutenant Governor Cellucci for his support of the Council's work this past year. Without his involvement and understanding much of this work would be impossible. He understands the importance of this work to the citizens of the Commonwealth and the need to re-invent the entire system of workforce development. Each of the state agencies and quasis that comprise the workforce development system have made contributions too numerous to mention and to them we express our appreciation. Above all I want to thank the many members of the MassJobs Council for their involvement, counsel and support. The MassJobs Council members and the Regional Employment Board members are the unsung heroes of this journey.



Peter. T. Koch
Executive Director

A Look Ahead:

The launching of the School-to-Work initiative and One-Stop Career Centers have started the transformation of the workforce development system in the Commonwealth. The new paradigm that was envisioned by the MassJobs Council in 1992 is evolving and there is no turning back.

The MassJobs Council will continue to drive the evolution, and, at the same time, encourage the system to become more entrepreneurial and ultimately self-sustaining. This is possible only if customers of the system—employers and individuals—receive high quality, value-added services from the system.

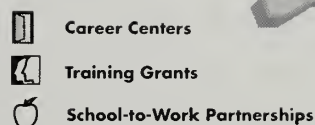
During the next year, the MassJobs Council will focus on continuing to build an integrated workforce development system through the three initiatives: School-to-Work, One-Stop Career Centers, and Welfare-to-Work. There will also be a heavy focus on measuring system effectiveness.

Additionally, building the information system needed to support an integrated system will be paramount. This will support the work to develop program outcomes and measures. All of which is critically important to providing good consumer information that enables customers to make informed decisions about employment and training. An adjunct to this, but with potentially wider applicability, will be the further development of connecting activities under the School-to-Work initiative. The connecting activities in School-to-Work may have similar applicability in the welfare-to-Work initiative as well.

If the public system is to be viable in the future, it must be more efficient, more responsive, more innovative and more accountable to the customers who use it. There is no alternative.



Regional Employment Board Chairs



Berkshire

Regional Employment Board

Nancy A. Lyon, Esq.
Cain, Hibbard, Myers and Cook
Pittsfield

Boston

Regional Employment Board

Ferdinand Colloredo-Mansfeld
Cabot Partners
Boston

Bristol County

Regional Employment Board

Stewart Washburn
Business Lending Consultant
Fall River

Brockton

Regional Employment Board

Mark Eagan
President
Metro South Chamber of Commerce
Brockton

Cape and Islands

Regional Employment Board

Steve Bunnell
Vice President
Cape Cod Marine Services
Falmouth

Franklin/Hampshire

Regional Employment Board

Arlene Rodovich
President
Conway Business Service
Conway

Hampden County

Regional Employment Board

Benjamin Jones
Chairman (Retired)
Monarch Capital
Springfield

Lower Merrimack Valley

Regional Employment Board

Robert Hatem
Manager
Raytheon Electronics System
Lawrence

Metro North

Regional Employment Board

Mark Callahan
Vice President
Cadworks, Inc.
Cambridge

Metro South/West

Regional Employment Board

Paul Harrington
Sum and Harrington
Boston

New Bedford

Regional Employment Board

Charles La Pier
BEM Consulting
Onset

Northern Middlesex

Regional Employment Board

Bonnie Posnak
Director of Personnel
Ideal Tape, Inc.
Lowell

North Central

Regional Employment Board

Richard Fusco
CPA
Fusco & Co., P.C.
Leominster

South Coastal

Regional Employment Board

Terry Fancher
General Manager
South Shore Chamber of Commerce
Quincy

Southern Worcester

Regional Employment Board

Edwin B. Coghlin, Jr.
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Westboro

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"The MassJobs Council has been an integral leader in working with the state to involve the private sector as Massachusetts strives to reform the workforce development system. The Council has successfully enhanced the link between workforce and economic development as well as introduced market principles to better serve the job seekers and job providers of the Commonwealth."

— Governor Paul Cellucci



"Now is a critical point in the history of workforce development in the United States and around the world. We must continue our efforts to enhance and grow our skilled workforce. The record number of jobs in Massachusetts in 1997 is testament to the successful partnership forged through the efforts of Governor Cellucci and the Massachusetts business community."

—Co-Chair Kija Kim

MassJobs Council Annual Report

for Fiscal Year 1997



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Co-Chair

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City of New Bedford

Cheryle Wills
Consultant

Mr. Leonard Wilson
First Essex Savings Bank

Staff

Peter Koch, Executive Director
Kim Gelerman
Charles LaPier
Susan Phillips
David Shagoury
Gloria Harris, Executive Assistant

MJC

Shifting the Paradigm

The MJC advocates for, and oversees the implementation of, a new market oriented workforce development system.

- The MJC is a conduit to private sector design of policy and their direct participation in government initiatives.
- The MJC integrates workforce development with economic development.
- The MJC endeavors to spawn a modernized, consolidated and effective workforce development system.

Erecting a demand based system in place of the anachronistic government directed supply based system

The job training/workforce development system should be further released from its isolation and allowed to recognize its rightful position within the marketplace. We must progressively remove the artificial incentives for providers to respond to government specifications and alter behavior so that the market rules of "demand" i.e., that the supply produced by the providers meets the demand articulated and required by the customers, will predominate to the benefit of Massachusetts' employees and employers.

A system that is closest to the people

The system should be guided centrally but administered locally. Administrative coordination at the local level is a means of better assuring that policies and operations more accurately reflect regional concerns. The most important element of local administration is an identifiable and well promoted point of access to job training/labor exchange activities for area residents and businesses. Still necessary is a strong state policy body to establish a consistent overall direction and commensurate state wide objectives. Entailed within "centrally guided" is a process of measuring cost inputs and performance outputs that are consistent with stated policy objectives, and that will have a secondary benefit of serving future policymakers as an important data resource.

A more facile system creates a customer friendly environment that enhances efficacy

The job training system is far too complex and reflexive to the panoply of regulations mandated by various government agencies. Maximizing the value of the taxpayer dollar requires a more understandable system that does not challenge the patience of individual citizens and businesses small and large.

MJC

Vision:

Developing a new system that responds...

As economic growth and job creation continue to expand in Massachusetts, the need for a workforce to expeditiously correspond to the skill and placement requirements of

enterprise will affect how Massachusetts companies succeed in this increasingly competitive global economy. Meeting the ever evolving standard of skill acquisition will assist in ensuring the prosperity of our workforce and the state's economy as a whole.

Welfare to Work Initiative

from dependency to self-sufficiency

Throughout this decade, Massachusetts has been reasserting itself as a progressive state, once again perched in our rightful place as a national policy leader worthy of imitation. No law has been more indicative of this ascension than the enactment of Massachusetts' Welfare Reform. For decades people have justifiably clamored for government to radically alter the welfare system, and under the leadership of Bill Weld and Paul Cellucci, the Commonwealth did just that. Reformers have long sought a welfare policy that would replace a system that eschewed logic and values and spawned dependency and hopelessness, with a new system of temporary assistance founded upon the traditional American ethos of work and personal responsibility, leading to expanded economic opportunity and personal growth for recipients. Massachusetts has transposed this noble vision into policy.

The cornerstone of Chapter Five, i.e., Welfare Reform, is the provision referred to as Welfare to Work, which mandates that all able-bodied, non exempt welfare recipients enter employment or community service as a precursor to employment. Work First is the driving philosophy and policy of the collaborative effort by the

state, providers, and the business community in transitioning welfare recipients from a cycle of dependence on their fellow citizens into the economic mainstream. Abandoning to the ashbins of history an exclusionary welfare policy conducted within the stifling prism of a government programmatic vacuum, we are

now embarked upon a path of integrating the recipients' need for jobs with the same market forces that provide economic opportunity for most of their fellow citizens.

Proudly we can claim that since the implementation of welfare to work as state policy, the number of those dependent on welfare has declined every month to date. As the Governor's principal advisory board on workforce development issues, the MassJobs Council (MJC) has played a leading role in working with the private sector regarding opportunities entailed in directly participating in the transition of recipients from welfare to work. The MJC has and will continue to aggressively solicit the views and suggestions of the employer community, and will do so with the understanding that

the most effective policies will reflect said input. MJC, via staff, has specifically convened individual meetings and business focus groups with the aforementioned intent. We (MJC) know that in order to exact the most positive impact on the daily lives of individual recipients, our engines of economic activity must be provided with access to affect a wide range of policy decisions.

An important element in the coordination of private sector involvement is the participation of the Regional Employment Boards (REBs). These local organizations have worked closely with the MJC and the Department of Transitional Assistance and have been an effective conduit for business outreach. Some REBs, led by their private sector chairs, have vigorously pursued their charge with welfare to work, and the results have been impressive. The Lawrence REB is a prototype of this scenario.

The Lower Merrimack (Lawrence) Regional Employment Board is committed to a proactive approach to directly matching welfare recipients with employers. Working with the local DTA office, the REB has played a significant role in the transition of almost one thou-

"We (MJC) know that in order to exact the most positive impact on the daily lives of individual recipients, our engines of economic activity must be provided with access to affect a wide range of policy decisions."



Warrimack Valley Regional Employment Board



(L to R): Regional Board Chairman Robert Hatem, Department of Transitional Assistance Commissioner Claire McIntire, former TAFDC recipient Magdalia Soto and Michelle O'Donnell, Human Resources Manager for the Parlex Corporation, where Ms. Soto is now employed, at the REB's Welfare-to Work Meeting.

sand recipients into employment. With an average wage of approximately \$7/hr., and an inclusive job base that encompasses the manufacturing, hospitality, health care and retail industries, individuals have successfully embarked upon the path of self sufficiency in one of Massachusetts' poorer cities. This is a reflection of the new environment throughout the Commonwealth.

The REB's effectiveness in this pursuit, as well as other efforts on behalf of workforce in the greater Lawrence area, earned it the honor of being chosen as the National "Private Industry Council of the Year". We are all proud of the accomplishments that spawned this recognition.

The MJC will analyze feedback from the growing and diverse members of our employer network, including the REBs, and the relevant state agencies, to discern what changes in implementation or policy should be considered in our pursuit of continual innovation to improve the system. The MJC and the autonomous Governor's Welfare to Work Advisory Committee are empowered with the authority to issue policy recommendations to the Governor. That Advisory Committee, consisting primarily of representa-

tives from business, imparted a white paper to the Governor addressing issues such as employer liability and administrative decentralization as they relate to the hiring of welfare recipients. Similar issues have also been a focus of the MJC.

The MassJobs Council has developed a very strong inter-staff working relationship with the Department of Transitional Assistance (DTA) led by Commissioner Claire McIntire, which improves policy coordination and personifies the Governor's commitment to enhanced coordination and sensibility in process as well as policy. The MJC will further broaden its relationship with the private sector and continue to advance the policy and operational incarnations of "Work First" with its agency and REB partners.

We have and will forthrightly endeavor to aggressively preserve the integrity of welfare reform, which has simultaneously introduced hope and independence to a population often systematically denied both. Our commitment to attain the venerable objectives intrinsic to ending the cycle of dependency that has burdened so many, and to meet the commensurate challenges attached to that pursuit, is unwavering.

WTW Factoids

To Progress, Not Revert!

Since Bill Weld and Paul Cellucci focused the debate upon their indefatigable pursuit of reforming the AFDC welfare system in 1993, Massachusetts has experienced an unprecedented 46 consecutive months of decline of these cases... and counting!

It's not just the economy It's Welfare Reform!

While a strong economy is a significant ally in the effort to transition people from welfare dependency to work, it is not the reason for our prolific success in reducing the welfare rolls. In the midst of what was haughtily referred to by some as the "Massachusetts Miracle", a 3% unemployment rate was co-terminous with 85,000 families still trapped in the welfare system; yet as this fiscal year concluded, Massachusetts' has reduced that number to 70,000 families... and counting!

School-to-Work

"The state has, under the leadership of 15 Regional Employment Boards and 40 Local Partnerships, committees that are comprised of education and industry leaders, community-based organizations, labor organizations, parents, students, and other interested parties."

The School-to-Work initiative, a joint effort of the MassJobs Council and the state Board of Education, is designed as a catalyst for advancing education reform. The Commonwealth was one of the first states in the nation to receive funding from the federal government in the amount of 33.5 million dollars to implement a comprehensive system statewide. The state has, under the leadership of 15 Regional Employment Boards and 40 Local Partnerships, committees that are comprised of education and industry leaders, community-based organizations, labor organizations, parents, students, and other interested parties. The Local Partnership's goals include insuring that public and private funds are

used to further strengthen economic and workforce development from region to region across Massachusetts.

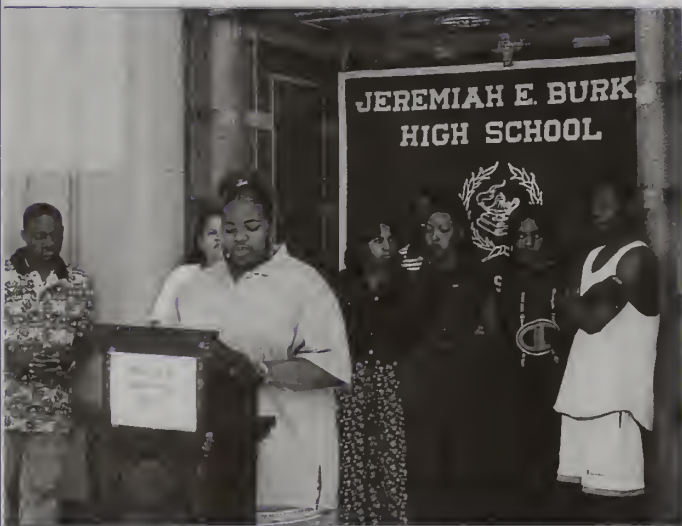
The Regional Employment Boards also played a key role in facilitating the development of Local Partnerships that implement the School-to-Work initiative. At the start of the process three years ago, key industries were

identified in each region and the local boards developed economic strategies to strengthen those industries. Local School-to-Work strategies were

developed to reflect the area industries identified by the Regional Employment Boards.

The Regional Employment Boards' role continues in the areas of oversight and evaluation, recruitment of critical and emerging industries, and guidance. The state appropriated a \$2.378 million dollar increase as part of a line item in the FY '97 Deficiency Budget to support local and regional efforts that will effectively link high school students with economic and learning opportunities on the job. The line item increase adds to the original FY '96 budget amount of \$500,000 for a total appropriation of \$2,878,000. This appropriation will be distributed statewide with the goal of Regional Employment Boards and Local Partnerships working collectively to staff efforts involving the management and outreach to and recruitment of the private sector on a full range of School-to-Work activities. The funding will also provide direct support and linkage among students, supervisors, teachers, and parents to ensure that school-based and work-based learning become fully integrated.

Connecting Activity funds are "private sector wage-leveraged". For every dollar sought under the Connecting Activities funds, at least two dollars in private sector wage commitments must be identified. Qualifying wages are determined by documentation of the total wages paid





and by presenting future wage commitments for wages that will be paid.

With many school districts—notably the largest school districts in the state, now focused on delivering a worth-based model of education, employers are starting to realize the return on investment from School-to-Work participation. Many employers and schools are working through their Local Partnerships and their dedicated staff, to provide opportunities for internships, employers teaching in classrooms, students shadowing employers, teachers spending time in the workplace to develop curriculum with employers, and shifting typical teen jobs into more meaningful learning experiences connected with class lessons.

Under the leadership of Paul Cellucci, School-to-Work has become a major workforce development initiative. From 1994-1995, Regional Employment Boards across the state developed strategic School-to-Work plans to guide their regions over the next five years.

The School-to-Work initiative received a big boost this year from the Massachusetts Summit: The Promise of Our Youth,

which brought together thousands of leaders and groups from all over the state in October to launch a two-year campaign to ensure our youth are safe, healthy, and prepared for the future. Prior to the Summit, the Lieutenant Governor Paul Cellucci made marketable skills one of the five resources a young person needs to grow and to be successful.

As a result of School-to-Work, many employers in Massachusetts are realizing the benefits of their involve-

ment in the process, including hiring from a skilled pool of workers, assisting in curriculum development with their local schools, playing a role in shaping the future workforce, reducing the effort required to locate qualified employees, and reducing the time and money spent on in-house training. The private sector has participated in many activities, among them include offering students employment and career exploration experiences, youth apprenticeships, and faculty summer internships. Continuing efforts in recruiting employer involvement in School-to-Work remains one of our priorities for the future.

"Many employers and schools are working through their Local Partnerships, and their dedicated staff, to provide opportunities for internships, employers teaching in classrooms, students shadowing employers, teachers spending time in the workplace to develop curriculum with employers, and shifting typical teen jobs into more meaningful learning experiences connected with class lessons."

Career Center Initiative

Two years ago, Massachusetts accepted a challenge from the United States Department of Labor (USDOL) to transform its fragmented array of employment and training programs into a high quality, integrated service delivery system. Today, the Commonwealth is delivering on its promise by building a unique system of One-Stop Career Centers. In Fiscal Year 1997, the first seven Career Centers served over 30,000 individual customers and worked with over 2,000 employers—operating 40% above projected capacity.

Through a new research program called “Tell Us What You Think”, over 1000 customers expressed their opinion of the Career Centers currently open for business. By the end of the fiscal year, over 95% of Career Centers customers reported high levels of satisfaction with the services and staff available at One-Stop Career Centers.

The reasons for the success of this initiative can be found in its design. As a proposal of the MassJobs Council, the system was structured to: emphasize a customer-driven perspective, be understandable to customers, focus on outcomes and be administered locally by Regional Employment Boards. As a response to a USDOL grant request, the Massachusetts model also incorporates, the principles of universality, customer choice, integration and performance driven/outcome based measures. One-Stop Career Centers are open to everyone, they give customers the power to choose, they integrate disparate programs into one-stop shopping, and they are performance-driven and outcome-based.

1. Customer-Driven/Customer Choice:

One-Stop Career Centers in Massachusetts support two types of choice: where to get employment assistance and where to get training and education. Customers are encouraged to make well-informed choices about the employment decisions they face. Instead of a state-run mo-

nopoly of one-size-fits-all Career Centers, a variety of nonprofit, for-profit and public organizations run One-Stop Career Centers at the local level.

One of the best examples of the customer driven motivation fueling the design of the One-Stop Career Center system infrastructure is the Education and Training database. Massachusetts has designed the first Education and Training Database ever made available to customers in the Commonwealth. Using the latest Internet technology, accessible at public terminals in each Center, customers can search for education and training courses.

“By the end of the fiscal year, over 95% of Career Centers customers reported high levels of satisfaction with the services and staff available at One-Stop Career Centers.”

2. Understandable/Integration:

They were named One-Stop Career Centers for a reason. A central principle for this initiative is to create a single, seamless system from the forty-nine disparate job placement, job training, and adult education programs scattered throughout state government. The new system integrates these disjointed employment and training services into a well-coordinated statewide network of One-Stop Career Centers that is understandable to customers and easy to use. This current fiscal year, half a dozen state agencies receiving federal funding for a variety of employment and training programs contribute into a new integrated funding stream for the operation of the first Career Centers.

3. Universality:

This principle is as simple as it sounds. A One-Stop Career Center is a place where everyone from middle managers to dislocated workers to welfare mothers can find help in seeking the education, training, or job they need. By achieving the integration of employment and training programs, Career Centers become the primary choice whenever an individual faces career decisions or when employers must address employment needs. Every Career Center is design to meet the needs of widely varied customers reliably and without red tape.

4. Performance Based/Outcome Driven:

One-Stop Career Centers are being held to higher standards than any other previous public program. In addition to performance measures being developed at the state level, Centers must meet standards set by their Regional Employment Boards (REBs). Customer feedback directly affects One-Stop Career Center operations. The MassJobs Council will be monitoring outcomes to measure the Centers' quality of services. Centers that do not perform satisfactorily will be prohibited from continuing their management. The Massachusetts design of local administration creates a unique three-way partnership between the state, the region and the Center, creating added accountability for all parties.

5. Administered locally:

The One-Stop Career Center system is guided by the state, but administered locally by Regional Employment Boards. To date, several regions have responded to state requests for participation in the system. Operators are selected based on a mix of criteria set by the state and defined by the REB. The exact number of charters to be issued is set by the REB. The Massachusetts One-Stop Career Center system grew by nearly 100% during the second year of the three year federal grant. The first four Centers, two in Hampden County and two in Boston, were joined by two Centers in the Metro North region and a third Boston center.

As originally designed, the state would foster competition within each region by requiring REBs to select at least two opposing Center operators through a competitive bidding process. Under the new plan, a Regional Employment Board can determine the number of Centers to be chartered and the selection method. No matter how they are selected, Center operators will still be chartered for no more than three years. Any rechartering will be based on the performance of a Center.

Our Present ... Their Future

Workforce development professionals, elected officials and other interested parties from seventeen states have either called or visited the Commonwealth to investigate and learn about our unique approach to building a One-Stop Career Center system. This is reflective of the MassJobs Council's willingness to push the envelope in pursuit of a better system.

"Motion excerpt"

All One-Stop Career Centers will be measured against state performance standards currently being developed by the MassJobs Council.

One-Stop Career Center(s) may be chartered for (up to) three years. The re-chartering of the Career Center(s) by the REB shall be based upon the performance of the Center(s):

- **If the Center(s) meets the performance standards, defined by the MassJobs Council and the local REB, the REB has the option of rechartering the Center or going out to bid.**
- **If the Center(s) does not meet the performance standards, defined by the MassJobs Council and the local REB, the REB is required to conduct a competitive bid process to replace the Center(s).**

Regional Employment Boards

The 15 Regional Employment Boards (REBs) are at the center of the workforce development system in Massachusetts. The membership of these volunteer boards reflects all the stakeholder populations in the local community, including providers, CBOs, government agencies, organized labor and private business. A feature of the membership of the Boards, who are appointed by the Lead Elected Official in the region, is that it must be a majority private sector members. The REBs are heavily involved in all of the MJC sponsored initiative

The REBs have local policy-making responsibility for all workforce development initiatives and are able to influence service providers to meet the needs of the individuals and employers. For some initiatives the Boards have direct sign off authority and for others the Boards' relationship is one of review and comment. However, the Board has the responsibility to convene all local workforce and economic development interests in order to provide leadership, oversight and evaluation with the ultimate goal of optimizing the utilization of resources to the benefit of all customers. By providing private sector chaired organizations greater responsibility, there now exists a system that is more responsive and flexible to all major driving forces.

The REBs made a significant move this year to strengthen and coordinate their performance by appointing an Executive Director for the REB Association. Centrally guided and locally controlled is the operating principle that is driving the forward movement of our workforce development system. The REBs through the Association are identifying shared issues and working together toward solutions appropriate to their respective regions.

During FY97 the MJC provided each REB with \$75,000 to support their administrative needs. The REBs focused their efforts this year on School to Work, Welfare to Work, One-Stop Career Centers and developing their capacity to provide ever stronger leadership. However, the Career Center initiative was the primary focus. There was the ongoing stress of change centered by the One-Stop Career Center initiative. The system consumed an inordinate amount of energy as it tried to find common solid ground upon which to move forward. An inclusive process was initiated that brought State agencies, REBs and SDAs (JTPA Association) to the table in order to identify areas of agreement and work to find common ground wherever it did not exist. The fact that all parties wanted Career Centers to be developed and implemented in their areas became clear very rapidly. The overall process used to address the Career Centers issue served to promote a level of communication in the Workforce Development system that has not heretofore existed. The strength created should serve us well as we move forward into other areas.

"Centrally guided and locally controlled is the operating principle that is driving the forward movement of our workforce development system."

(REBs)—1997

As FY 97 came to a close the Legislature became more focused on the longer term goals and costs of the system. At times there was a question in the minds of some as to need for continued or increased support for the One Stop Career Centers given the low unemployment rate being experienced in Massachusetts. The REBs and the MJC found themselves in the unique position of clarifying the need for a new labor exchange system even under these conditions, especially since the old system served mainly people who were collecting unemployment insurance.

The new system being led by the MJC in partnership with the REBs is attempting to provide universal service, which is new and not always easily understood. Service would be provided to all individuals, not only to the disadvantaged UI claimants. This is a change and is not funded by current sources, and has required the appropriation of state funds to fulfill the mandate of universal access.

Employers are another major customer, and their needs are a high priority of Career Centers. Many smaller employers can be labeled as disadvantaged in their ability to compete for employees who possess critical skills. This is especially highlighted in times of low unemployment because these companies typically do not have a skilled human resources person or the ability to train new or incumbent workers in the skills needed to compete and grow. In order to maintain and strengthen our workforce system as part of the economic engine, we must support these small and midsize companies because it is they who create most new jobs.

Another critical need, which is new, lies in supporting people who are not receiving unemployment insurance and are currently employed. The new global economy will expect individuals to be mobile in the world of work and to have high career management skills in order to effectively maintain employment. It is predicted that new entrants to the workforce can expect to work for 7 to 12 companies during their careers as opposed to the 2 or 3 that those leaving the workforce today experienced. So, the new One-Stop Career Centers experienced approximately 40% of their demand from individuals seeking career management support. The private sector controlled Regional Employment Boards will play an increasingly important role in addressing all workforce development challenges that lay before our state.

"The partnership between the 15 Regional Employment Boards and the MassJobs Council strengthens the role of the private-sector employer community in the workforce development system."

— Don Gillis
Executive Director,
Massachusetts REB Assoc.

"The new global economy will expect individuals to be mobile in the world of work and to have high career management skills in order to effectively maintain employment. It is predicted that new entrants to the workforce can expect to work for 7 to 12 companies during their careers as opposed to the 2 or 3 that those leaving the workforce today experienced. "

MOVING FORWARD...

"Expect the MJC, via staff outreach and Council focus, to further broaden and intensify the private sector's affect upon the policies that govern workforce development."

The MassJobs Council is the principal Advisory Committee to the Governor regarding workforce development. Subsequent to the end of fiscal year 97, now Governor Cellucci bestowed upon me the honor of serving as the Council's Executive Director. In doing so, he reiterated the import he places upon the work of the Council, which has been reflected by his personal involvement as Chairman of the MJC during his tenure as Lt. Governor.

A majority of my career has been in the private sector. That experience has provided me with a perspective that will buttress the philosophy of empowering the business community that is already intrinsic with MJC leaders, staff and the Governor. It has become evident that policies that do not entice employers to participate will trap the state into the endemic failures of the past. Expect the MJC, via staff outreach and Council focus, to further broaden and intensify the private sector's affect upon the policies that govern workforce development.

Fiscal year 98 will see this organization continue to pursue the objectives of the Cellucci Administration, especially as related to the three initiatives under the Council's aegis: welfare to work, school to work and career centers. Also, a much sought after integrated budget will be coalesced by my office in the coming fiscal year. Such a document will be an effective tool to policymakers. More precise and comprehensive data will serve the Governor, Legislature and other interested parties relative to the extent and direction of workforce development spending and its effectiveness.

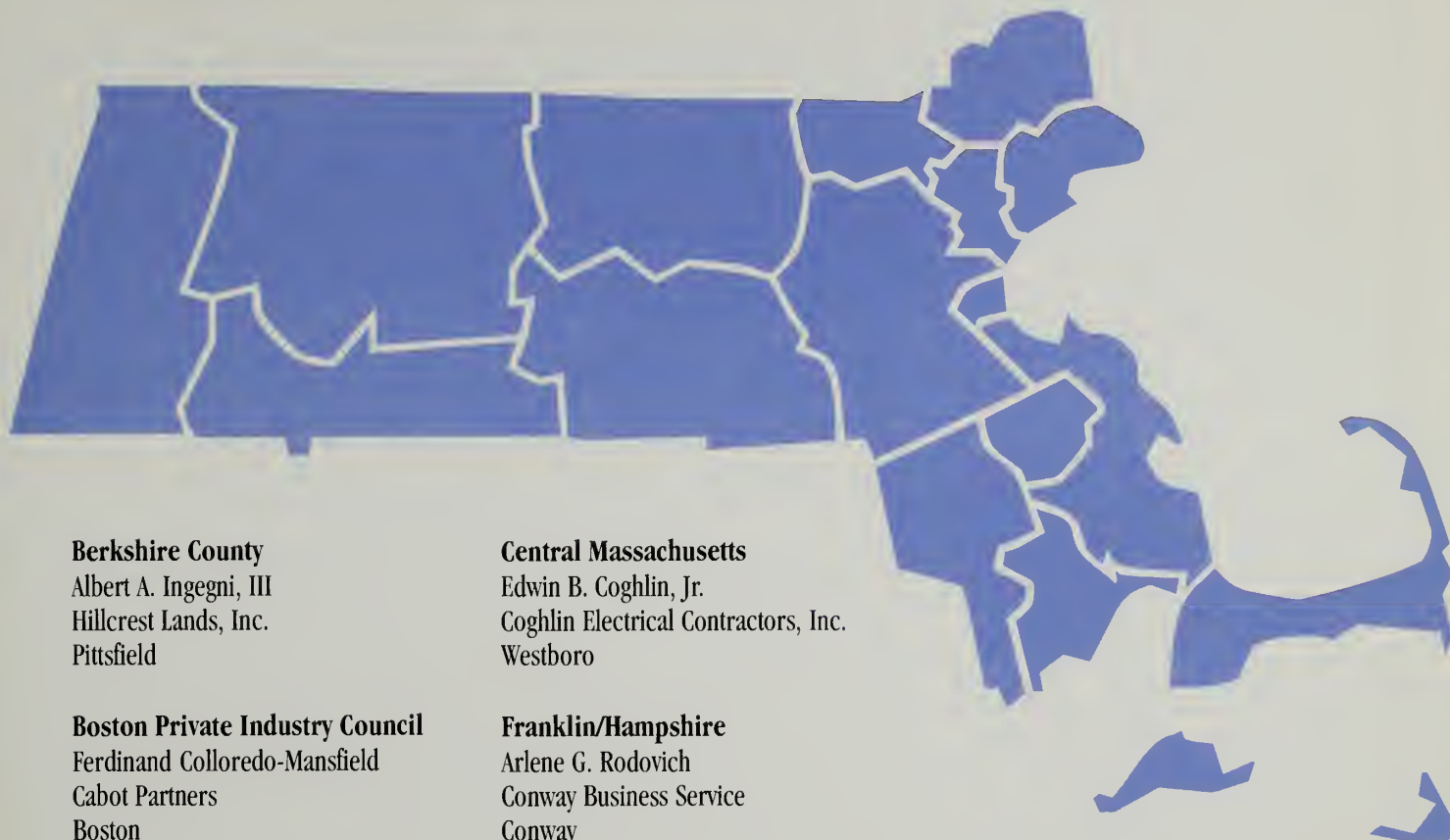
I am grateful to Governor Cellucci for assigning me such an important task, and am appreciative of Council members, REBs and those with whom I work, for facilitating my transition. I look forward to being a leader in quest of enhancing the Governor's efforts to modernize the work training system, helping continue the programmatic reforms that will imbed accountability, flexibility and responsiveness irrevocably into the system.

David S. Smith

Sincerely,
David S. Smith

7002 021

Regional Employment Board Chairs



Berkshire County
Albert A. Ingegri, III
Hillcrest Lands, Inc.
Pittsfield

Boston Private Industry Council
Ferdinand Colloredo-Mansfield
Cabot Partners
Boston

Bristol County
Stewart Washburn
Consultant
Fall River

Brockton
Mark Eagan
Metro South Chamber of
Commerce
Brockton

**Cape Cod, Martha's Vineyard
& Nantucket**
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MacDougalls Cape Cod
Marine Services
Falmouth

Central Massachusetts
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Coghlin Electrical Contractors, Inc.
Westboro

Franklin/Hampshire
Arlene G. Rodovich
Conway Business Service
Conway

Greater Lowell
Bonnie Posnak
Ideal Tape
Lowell

Greater New Bedford
Charles E. LaPier
Polaroid Corporation
New Bedford

Hampden County
Benjamin F. Jones
Springfield

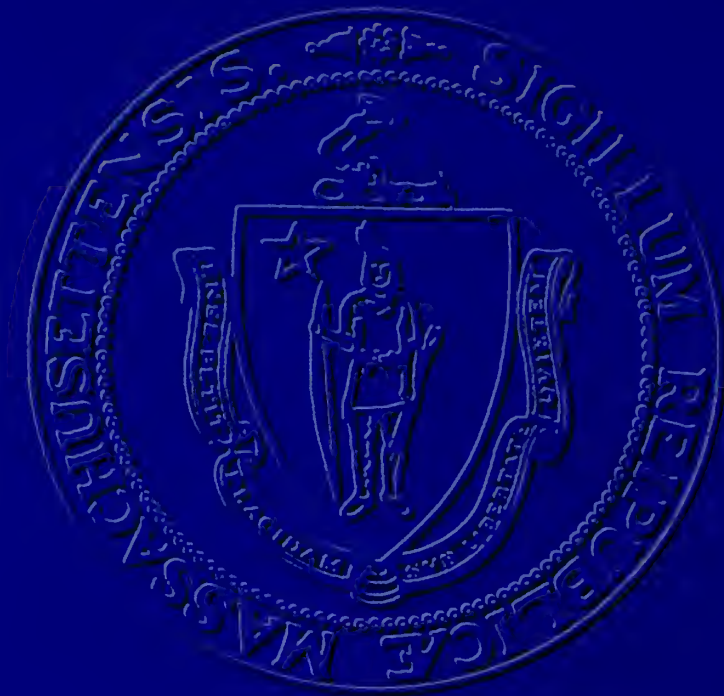
Lower Merrimack Valley
Robert F. Hatem
Raytheon Electronics System
Lawrence

Metro North
Mark Callahan
CAD Works, Inc.
Cambridge

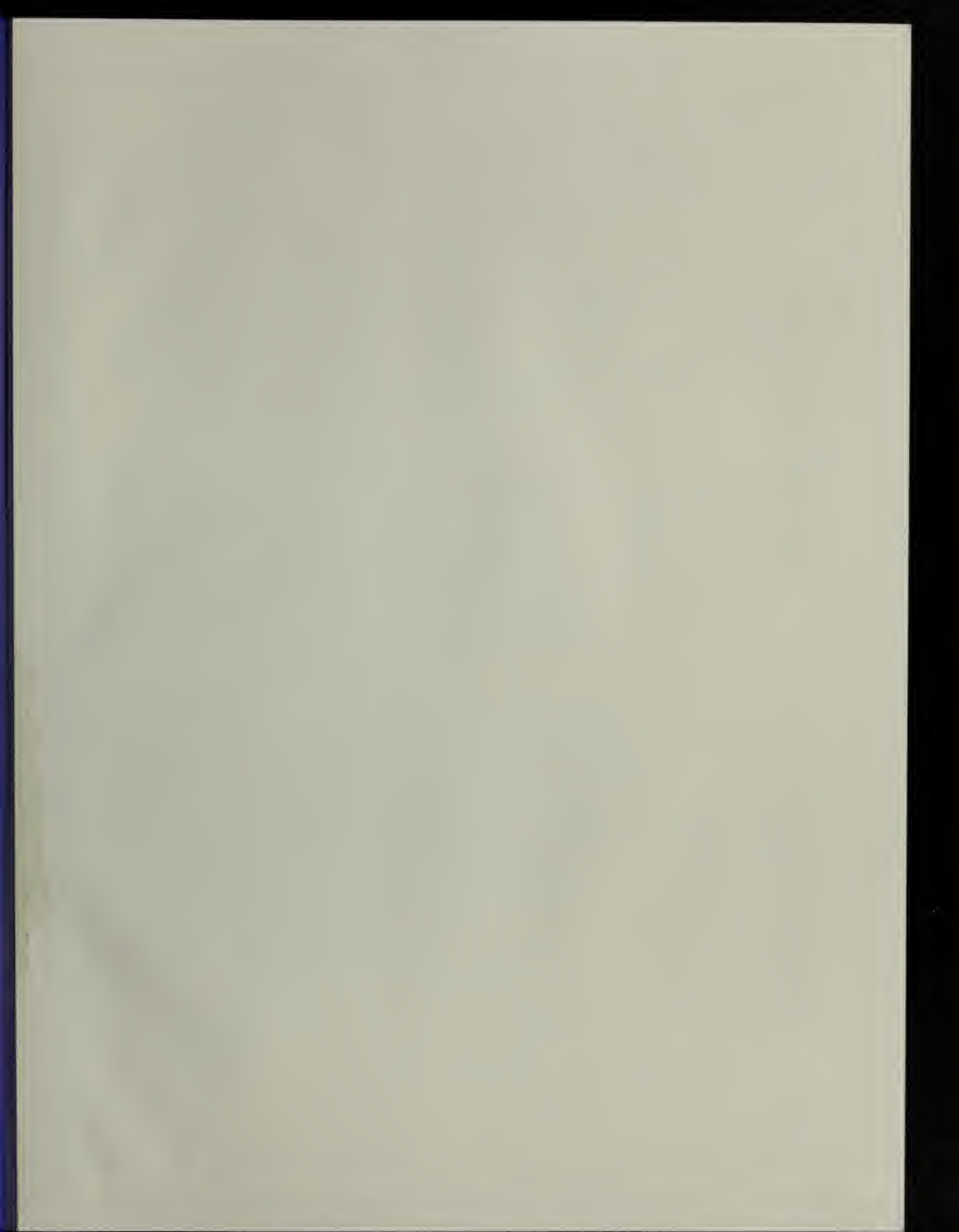
Metro South/West
Paul Harrington
Sum and Harrington
Norwood

North Central
Richard Fusco, CPA
Fusco and Company, P.C.
Leominster

South Coastal
Terry Fancher
South Shore Chamber of Commerce
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